

## **Embedding the Mortgage Market Review: Advice and Distribution**

### **Financial Conduct Authority**

**RPC rating: validated**

#### **Description of the measure**

Changes to the FCA's Mortgage Conduct of Business rules came into force in 2014 following the Mortgage Market Review (MMR). The MMR was a comprehensive review of all aspects of the mortgage market and its regulation. This assessment covers the FCA's subsequent thematic review, which assessed how firms had embedded the MMR advice and distribution rules. The review highlighted where improvements were required to meet the standards expected. It did not set any new expectations but reminded firms of existing requirements.

#### **Impacts of the measure**

The assessment explains that any costs incurred would have resulted from non-compliance with existing rules. The measure does not impose any new costs on compliant firms. Thus, the FCA has assessed the costs as zero. The assessment also highlights a number of possible benefits. These include: helping firms avoid potential regulatory action, providing clarity for firms, reducing complaints and improving customer retention. These benefits would also accrue to non-compliant firms and have not been quantified.

The RPC verifies the estimated equivalent annual net direct benefit to business (EANDCB) of zero. This is a qualifying regulatory provision.

#### **Quality of submission**

Given that there is no impact on compliant firms, the FCA has provided sufficient information for the RPC to validate the assessment.

#### **Departmental assessment**

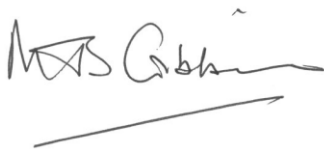
Classification	Qualifying regulatory provision
Equivalent annual net direct cost to business (EANDCB)	zero

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Business net present value	Zero
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**RPC assessment**

Classification	Qualifying regulatory provision
EANCB – RPC validated	Zero
Business Impact Target (BIT) Score	Zero



**Michael Gibbons CBE**, Chairman