

PMPA calls for FSA fee review

EXCLUSIVE BY **DIPPY**

SINGH | The Professional Mortgage Packagers Association (PMPA) has called for the FSA to review its annual fees for firms as it believes the projections these will be based on are now out-of-date and unrealistic.

When firms sought authorisation from the FSA last year, they were also required to submit their business plans to determine what income bands they would be placed in. PMPA believes during that time businesses would have been experiencing a healthy trading period and would have been under the assumption this would expand.

However, since 'Mortgage Day' many firms have seen a decrease in business and therefore would be making less money, and so may now be in a different income band. PMPA has warned that if the FSA membership fees are based on last years' projections, it will seriously hurt some businesses.



Vic Jannels, group managing director, AToM and PMPA member

The Association said it would be in talks with the Association of Mortgage Intermediaries (AMI) about the issue. It is also urging the FSA to understand that the projections it has received may now be unrealistic and may have dramatically dropped for some firms.

Vic Jannels, group managing director at AToM and PMPA member, said: "The FSA needs to look at this. Many businesses just aren't writing the same volumes of business as last year. The regulator must understand the potential seriousness of this."

Robin Gordon-Walker, spokesman for the FSA, said: "The vast majority of mortgage intermediaries will be in the minimum band anyway rather than a band that scales up. But we have to work out fees in this way. We take the reference from projections last year and work it out from there. Sometimes firms' business volumes go up so they could also benefit in some cases."