

BoS bows to packager pressure

EXCLUSIVE BY DIPPY SINGH |

Bank of Scotland (BoS) has made a remarkable u-turn after *Mortgage Introducer Online* revealed last week that it would only accept mortgage applications via packagers if the broker was either directly authorised or an AR of the packager.

BoS has now informed packagers it will accept cases from ARs via packagers as long as the network has its authority.

Mortgage Introducer Online exclusively revealed last week that packagers were infuriated over a letter sent to them by BoS.

The letter said: "Please be advised Bank of Scotland can only accept applications via packagers where the advising firm is either directly authorised

or an appointed representative of the packager. Where the principal is completely separate, such as Sesame or Legal & General, then we cannot accept applications from such appointed representatives via a packager."

Although BoS insisted this policy had been in effect since 'Mortgage Day', packagers said it was the first time they have heard of it.

Vic Jannels, group managing director at All Types of Mortgages (AToM), said he was pleased with BoS's 'sensible reconsideration'. He said: "We are happy with this outcome, although we are not pleased this situation had to occur in the first place."

Jannels added he was not

convinced that pressure from the networks resulted in BoS's initial move to cut some packagers out of the equation. "AToM is on the panel of ten major networks which means they are all happy to use us, irrelevant of who the lender is. I expect it was always about BoS just trying to streamline things for itself."

Guy Garrard, director of business development at packager em-financial, said: "I'm delighted that BoS has revisited its policy. Its initial decision on packagers was not thought through properly."

Paul Fincham, HBOS spokesperson, said: "This is not a u-turn. BoS is just providing clarification based on feedback we got last week."