

# Owner Occupier Mortgage Existing Customer Product Range

Post Office Mortgages  
Document Last Reviewed: 1st July 2024



## Our approach to meeting the Products & Services Outcome and Price & Value Outcome - Information for distributors of the Product Range

This summary document is being provided to you to fulfil our responsibilities under PRIN 2A.4.15R and PRIN 2A.3.12 R (2) of 'The Consumer Duty'.

It is designed to support you to comply with your responsibilities under PRIN 2A.3.16 R and PRIN 2A.4.16 R. Please note that you are ultimately responsible for meeting your obligations under 'The Consumer Duty'.

This information is intended for intermediary use only and should not be provided to customers.

### 1. Summary of our assessment

Bank of Ireland (UK) plc have assessed that:

- ▶ The Product Transfer and Further Loan ranges for Bank of Ireland existing customers who originated through the Post Office brand meet the needs, characteristics, and objectives of customers in the identified target market
- ▶ The intended distribution strategy remains appropriate for the target market
- ▶ The range of products provide fair value to customers in the target market (i.e. the total benefits are proportionate to total costs).

### 2. Product range characteristics & benefits

New standard Post Office branded mortgages are now only available on a direct basis, however existing customer products are available through intermediaries or direct. The existing customer ranges also includes products for legacy mortgages no longer sold.

<b>Product range features supporting financial objectives</b>	<ul style="list-style-type: none"><li>▶ Rates that are fixed or subject to the Bank's Standard Variable Rate</li><li>▶ The availability of rates with or without associated Product Fees</li><li>▶ The ability to obtain further borrowing through a secured further loan</li><li>▶ A mortgage which can be ported to another property.</li></ul>
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<b>Target market criteria</b>	<p>There are options available for the following existing customer mortgages:</p> <ul style="list-style-type: none"><li>▶ Standard Owner Occupier Mortgage</li><li>▶ First Start Owner Occupier Mortgage</li><li>▶ Help to Buy Mortgage Guarantee Product Transfer Range (legacy product).</li></ul> <p>Accounts must not be in arrears of one monthly payment or more to qualify for these options.</p>
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<b>Target market criteria</b>	<p>Products are also available to existing Post Office customers looking to borrow extra funds for the following mortgage products:</p> <ul style="list-style-type: none"> <li>▶ Standard Owner Occupier Mortgage</li> <li>▶ First Start Owner Occupier Mortgage.</li> </ul> <p>Further lending is not available for:</p> <ul style="list-style-type: none"> <li>▶ Business purposes (New Buy to Let purchases are acceptable)</li> <li>▶ Speculative purposes such as investment in a business</li> <li>▶ Overseas property/timeshares</li> <li>▶ Payment of tax</li> <li>▶ Payment of gambling debts.</li> </ul>
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The availability of features which support the borrower's financial needs and objectives are dependent on the range of products Bank of Ireland (UK) plc have on offer at a point in time, across Loan to Value tiers. Availability of the features from this product range will also be subject to eligibility criteria and borrower status at the time of use.

Further eligibility criteria can be accessed on our intermediary website via

<https://www.bankofireland4intermediaries.co.uk/post-office-for-intermediaries-existing-customers/>

### 3. Target market assessment and distribution strategy

This target market assessment matrix segments the target customers for the product range, recognising their different needs to enable you to tailor the services you provide when distributing the products.

Customer circumstances	Distribution strategy	Customer needs & objectives
<p>Existing customers considering their options on securing a new fixed rate, rather than paying Standard Variable Rate.</p> <p>Existing customers looking to borrow additional funds.</p>	<p>Available through intermediaries on the Bank of Ireland Intermediary Panel including:</p> <ul style="list-style-type: none"> <li>▶ Networks and their Appointed Representatives</li> <li>▶ Mortgage Clubs</li> <li>▶ Directly Authorised intermediary firms</li> </ul> <p>Also available directly on an Execution Only or Advice basis (Execution Only not available for additional borrowing).</p>	<ul style="list-style-type: none"> <li>▶ Access to a range of LTV tiers</li> <li>▶ To fix costs for a defined period</li> <li>▶ The ability to make overpayments up to 10% per annum without incurring Early Repayment Charges</li> <li>▶ Having a mortgage that is fully portable</li> <li>▶ The need to borrow additional funds for options within criteria.</li> </ul>

The Bank considers that the product range is appropriate to be distributed through third-party intermediaries (Directly Authorised intermediary firms; networks and their Appointed Representatives; and Mortgage Clubs). Additionally, the Bank believes that it is appropriate that distribution is undertaken through a full range of communication mediums which include face to face, telephony or digital. The medium selected must be appropriate to the customer and take account of their communication preferences.

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The Post Office Owner Occupier Mortgage Existing Customer Product Range is not designed to support the financial needs and objectives of borrowers who:

- ▶ Are looking to pay off the mortgage or change mortgage product during a fixed period, resulting in Early Repayment Charges being paid
- ▶ Are looking to pay more than 10% overpayments per year and are not in a position to pay Early Repayment Charges
- ▶ Are letting the property out, or the customer is intending to let it out
- ▶ Are using the property for business purposes, or the customer is intending to use it for this purpose
- ▶ Are in breach of their Terms and Conditions, in which case the customer is not eligible for this product range
- ▶ Do not meet further lending criteria if looking to borrow additional funds.

#### **4. Customers with characteristics of vulnerability**

This product range is designed for existing mortgage customers of Bank of Ireland (UK) plc originated through the Post Office brand, who need to secure a new rate or borrow additional funds. This is likely to include customers with characteristics of vulnerability or who will experience vulnerability over time.

Bank of Ireland (UK) plc considers the needs, characteristics, and objectives of customers with characteristics of vulnerability within the customer journey to help provide products that meet their needs.

We have in place a framework to help us deliver good outcomes for vulnerable customers, which includes:

- ▶ Education and training for our staff to give them the appropriate skills and experience to recognise and respond to the needs of vulnerable customers
- ▶ Suitable customer service provision and communications
- ▶ Flexible policies, where appropriate, to support vulnerable customers
- ▶ Monitoring to ensure we continue to meet and respond to the needs of customers with characteristics of vulnerability.

Please contact us if you need any further information about how Bank of Ireland (UK) plc support the needs of all our customers in relation to the product range. Options to contact us can be found at

**<https://www.bankofireland4intermediaries.co.uk/contact-us/>**

You should continue to comply with your obligations to ensure that you treat customers in vulnerable circumstances fairly.

To help you distribute the products in accordance with the needs, characteristics, and objectives of customers in the target market, the table below shows some examples of the characteristics of vulnerability and reasonable adjustments you may need to consider.

<b>Channel</b>		<b>Characteristics of vulnerability within the target market most likely to experience challenges with this channel include*</b>	<b>Reasonable adjustments to be considered in order to deliver a good customer outcome may include, but are not limited to:</b>
<b>Written communications</b>		Customers who: <ul style="list-style-type: none"> <li>▶ Are visually impaired</li> <li>▶ Have low literacy or numeracy skills</li> <li>▶ Have a mental health condition.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Make documentation available in an alternative format such as braille, large print or audio</li> <li>▶ Offer an alternative channel to support e.g. email, SMS or telephone.</li> </ul>
<b>Customer service</b>	<b>Face to face engagement</b>	Customers who: <ul style="list-style-type: none"> <li>▶ Are hearing or visually impaired</li> <li>▶ Have physical disabilities</li> <li>▶ Have low English language skills</li> <li>▶ Have a mental health condition.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Allow for an interpreter (language/sign language) to be present</li> <li>▶ Offer hearing loops</li> <li>▶ Allow longer appointment/ thinking time</li> <li>▶ Allow customers to meet in a space that is suitable for their particular needs</li> <li>▶ Allow access and space to manoeuvre any assistive equipment.</li> </ul>
	<b>Online engagement</b>	Customers who: <ul style="list-style-type: none"> <li>▶ Are visually impaired</li> <li>▶ Have low literacy or numeracy</li> <li>▶ Have poor or non-existent digital skills.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Provide website content in a screen reader compatible format</li> <li>▶ Provide guidance on how to enable additional accessibility features in website content</li> <li>▶ Offer a webchat service.</li> </ul>
	<b>Telephony engagement</b>	Customers who: <ul style="list-style-type: none"> <li>▶ Are hearing impaired</li> <li>▶ Have low English language skills</li> <li>▶ Have a mental health condition.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Provide a next generation text service such as Text Relay/Text UK</li> <li>▶ Allow for an interpreter (language/sign language) to be present</li> <li>▶ Offer an alternative channel to support e.g. written communications, email or SMS.</li> </ul>

\*Characteristics detailed are anticipated/expected however this is not an exhaustive list. Refer to FCA guidance FG21/1 for comprehensive list of identified vulnerability characteristics by vulnerability driver.

Service provision	<b>Characteristics of vulnerability within the target market most likely to require this service provision include*</b>  <small>*Characteristics detailed are anticipated/expected however this is not an exhaustive list. Refer to FCA guidance FG21/1 for comprehensive list of identified vulnerability characteristics by vulnerability driver.</small>	<b>Reasonable adjustments to be considered in order to deliver a good customer outcome may include, but are not limited to:</b>
<b>Third Party Options</b>  e.g. Third Party Mandate, Power of Attorney, Court of Protection	Customers who: <ul style="list-style-type: none"> <li>▶ Have low mental capacity or cognitive impairment</li> <li>▶ Have severe physical disability</li> <li>▶ Have severe or long-term illness</li> <li>▶ Are experiencing challenging life events.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Provide information about the types of the third party options available</li> <li>▶ Accept customers, third party authorities and liaise with chosen representative.</li> </ul>
<b>Signposting</b>  Support from specialist internal staff or external organisations e.g. the Samaritans, StepChange	Customers experiencing: <ul style="list-style-type: none"> <li>▶ Financial difficulties</li> <li>▶ Challenging life events</li> <li>▶ Severe or long-term illness</li> <li>▶ Mental health condition or disability</li> <li>▶ Addiction.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Have escalation processes to internal specialist trained staff</li> <li>▶ Provide appropriate external organisation/s contact information</li> <li>▶ Support warm handovers to external organisations.</li> </ul>

## 6. Our assessment of value

We have a comprehensive assessment process which evaluates several aspects of our business to determine whether the Bank of Ireland (UK) plc Owner Occupier Mortgage Existing Customer Product Range, for mortgages originated through the Post Office brand, delivers fair value for our customers.

The outcomes of the assessment are reviewed and approved through our governance processes, allowing for challenge and further investigation before we sign off the outcomes and share the summary of our assessment with you.

Our fair value assessment has considered the following:

Benefits	Price	Costs	Limitations
The range of features that the product range provides, the quality of the product range, the level of customer service that is provided and any other features that the product range may offer.	The interest rates, fees and charges that customers pay for the product range, comparable market rates and, advice fees paid to intermediaries.	The cost of funding the product range and any other costs incurred in the servicing of the product range.	Any limitations on the scope and service we provide or the features of the product range.

## Results of our assessment

Our assessment concluded that the Bank of Ireland (UK) plc Owner Occupier Mortgage Existing Customer Product Range, for mortgages originated through the Post Office brand, continues to deliver fair value for customers in the target market for the range of products.

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