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By Email

27 February 2019

Our Ref:       FOI6230

### **Freedom of Information : Right to know request**

Thank you for your request, dated 30 January 2019, for the following information under the Freedom of Information Act 2000 (the Act):

*"Subject: Mortgage statistics (MLAR??)*

*Division: Mortgage / Statistics*

*Dates: Current situation*

*The number and therefore percentage of the estimated 10,000 borrowers with active mortgage lenders who are on their lender's reversion rate and would benefit from switching but cannot (identified by the analysis undertaken for the Mortgage Market Study) are older borrowers.*

*Please could you break this down by age groups 55-65, 65-75, 75-85, over 85.*

*I'd also like these numbers and percentages for borrowers with non-active lenders too please."*

Your request has now been considered and the relevant information is below.

<b>REGULATED LENDERS</b>				
<b>Age band</b>	<b>Active lenders</b> (total 10,000)		<b>Inactive lenders</b> (total 20,000)	
	<b>Percentage</b>	<b>Number</b>	<b>Percentage</b>	<b>Number</b>
56-65	15%	1,500	16%	1,600
66-75	8%	800	5%	500
76-85	4%	400	1%	100
over 85	1%	100	0%	0

**Note: Active and inactive lenders totals are rounded to nearest 10,000 (in line with the findings published in the interim report). All figures reflect the age of borrowers in 2016.**

In addition, some customers' mortgages are held in books owned by unregulated firms. We estimate that around 120,000 such customers may benefit from switching. But we hold insufficient data on these customers to provide a breakdown by age.

Please be aware that the number of customers (holding mortgages with regulated lenders) in some of the age bands is very small. These estimates are likely to be less robust. This reflects the fact that:

- our objective was to estimate market-wide totals to assess (i) the scale of the issue and (ii) whether or not to intervene, rather than a precise figure for different lenders or customer characteristics
- our estimates involve a number of assumptions, all of which are set out in the May 2018 interim report (including annexes)

Please also note that this is a breakdown by age band of the numbers published in our Mortgages market study *interim* report. We are due to publish our *final* findings in March.

Yours sincerely

**Information Disclosure Team**