

Message for CLC Conveyancers from HSBC bank

We are pleased to announce that HSBC is extending its relationship with Legal Marketing Services Ltd ('LMS') through the provision of a comprehensive Panel Management service to manage HSBC's wider transactional conveyancing panel. LMS' 'Panel Link®' service will provide HSBC with high levels of diligence and oversight, whilst also creating efficiencies within the monetary chain.

The Bank has a long standing and successful relationship with LMS, working collaboratively with them as our re-mortgage panel manager for nearly 10 years and this further alliance will consolidate LMS as HSBC's sole panel manager going forward.

The implementation will be in two phases. Phase one will be in early October 2017 for our intermediary business, and phase two will see the transition of all other purchase cases in November 2017. As the implementation is in two phases, HSBC will continue to work closely with its existing providers, one of which is Decision First, until phase two is implemented and would like to thank them for their service and professionalism over the last 5 years.

HSBC continues to value and listen to feedback from customers and law firms and is moving to an open panel approach for purchase cases across all jurisdictions, whilst ensuring that HSBC is in line with FCA guidance.

The basic requirement for a law firm to become or remain a member of the panel is that the firm is CQS accredited or CLC regulated in England and Wales, regulated by the Law Society of Northern Ireland and the Law Society of Scotland. Firms will then be asked to provide additional information in order to be confirmed as panel members. LMS will provide further detail of the on-boarding process over the next few weeks.

Andy Knee, MD LMS states 'I am delighted that we are extending our partnership with HSBC with the introduction of Panel Link®. HSBC joins a growing community of lenders who have adopted Panel Link® and we are looking forward to working with each to enhance our service still further, with a view to benefiting everyone who uses a mortgage to help them buy their home'

'Tracie Pearce, Head of Secured Lending at HSBC states ' This is the start of an exciting new era for HSBC, ensuring we allow our customers maximum choice in terms of their preferred conveyancer and we are delighted to consolidate our already strong relationship with LMS as we move forward.'

1 – Will there still be a restriction around Sole Practitioners?

Yes, HSBC will still limit sole practitioners to act for the bank on cases with a loan value up to £350k.

2 – I am already CQS accredited or CLC regulated and able to act for HSBC, what does this mean to me?

This remains the minimum requirement for conveyancers in England & Wales to be able to apply for the HSBC panel. There will be additional due diligence requirements, both initially and on an ongoing basis. You will be contacted by LMS to start the on boarding process over the next few weeks in readiness for the changes.

3 – How will the two phases of the implementation work for new mortgage instructions?

During this period HSBC will instruct conveyancers either via LMS Panel Link service or Decision First Lender Exchange service (England & Wales only). Conveyancers will receive an email advising them when a new instruction is waiting and it will be clear which portal needs to be used to access the new instruction.

4 – What if I haven't fully completed all the due diligence requirements as part of the LMS onboarding process, but a customer wants to use me?

For a short period you will still be able to act for HSBC on instructions received via Decision First, but you will not be able to act on instructions distributed by LMS until you have fully completed the LMS on-boarding process. With all instructions being distributed via LMS by the end of 2017, you will need to complete this process to be able to act for HSBC.

5 – You mention that the open panel approach is only for purchases cases, is your re-mortgage panel remaining as is?

Yes, LMS will continue to manage our current re-mortgage panel so the open panel approach does not include re-mortgage, unencumbered home owner loan or any application that involves a transfer of title with a continuing borrower at this present time.

6- You mention the basic requirement for a law firm to become or remain a member of the panel, do HSBC have any further panel criteria?

Yes, HSBC will implement the below criteria for firms to be able to act for HSBC.

Case size	No of partners (or equivalent)	Conditions in addition to the "No of Partners" rule
£1 < £350k	1 or more	England & Wales: - SRA regulated firms must be CQS accredited - All CLC regulated firms can act for HSBC. All Scottish and Northern Ireland regulated firms can act for HSBC
£350k < £2m	2 or more	
£2m+	4 or more with £5m+ PII	