



1 June 2015

Bank of England – Agreed Upon Procedures – Residential Mortgages Audit Data Requirements. Updated: June 2015.

No.	Criterion	Level of assurance	AR Code
1.	Loan ID, Borrower ID and Property ID	The unique loan identifier, borrower identifier and property identifier must agree to the primary system of record for the mortgage.	AR 3, AR 7, AR 8
2.	Account Number	The account number must agree to the primary system of record for the mortgage.	
3.	Name	The name must be agreed to: <ul style="list-style-type: none"> • the borrower’s name held on the primary system of record for the mortgage; • the paper record of the application, offer, and valuation; and • the registered legal charge. 	
4.	Address	The property address must be agreed to: <ul style="list-style-type: none"> • the address held on primary system of record for the mortgage; • the paper record of the application, offer, and valuation; and • the registered legal charge. The address must be confirmed to be in England, Scotland, Wales or Northern Ireland.	
5.	Date of Birth	<u>For Equity Release Loans</u> – the date of birth for the primary borrower must agree to the primary system of record for the mortgage.	AR 18
6.	Purpose	The purpose must agree to the primary system of record for the mortgage.	AR 59
7.	First Time Buyer	Whether the borrower is a first time buyer must agree to the primary system of record for the mortgage.	AR 22

No.	Criterion	Level of assurance	AR Code
8.	Income Verification	<p><u>For owner occupied mortgages only</u>, unless the mortgage is clearly classified as a “self certification” mortgage, confirm whether there is any evidence of income verification or validation of affordability criteria at the time of origination.</p> <p>Borrower income amount at origination (primary and secondary) must be agreed to:</p> <ul style="list-style-type: none"> • primary system of record for the mortgage and; • to be carried out at the 95/5 confidence level: the paper record of income. A 5% tolerance is admissible on income amount against the paper record. 	AR 26, 27, 28, 29
9.	County Court Judgements	<p>The following items must be agreed to the primary system of record for the mortgage (or original credit file if system does not store these data):</p> <ul style="list-style-type: none"> • combined value of unsatisfied CCJs, • number of unsatisfied CCJs, • age of last CCJ prior to completion • prior bankruptcy order/IVA. 	AR 33-36
10.	Valuation	<p>The last full valuation amount, type and date must be agreed to:</p> <ul style="list-style-type: none"> • the primary system of record for the mortgage; and • the paper record of the valuation. • the valuation date should be confirmed to be within 1 year of completion date. <p>For buy to let - confirm that the valuation report included a valuer’s opinion on suitability for buy-to-let and/or likely rental income. The rental amount at origination must be agreed to the primary system of record for the mortgage.</p>	AR 136,137, 138, AR 154
11.	Title	The mortgage file must be reviewed to confirm that a solicitor, licensed conveyancer or (in Scotland) qualified conveyancer was instructed in relation to the loan.	
12.	Signatures	<p>For each file, the following paper records should be checked to ensure they have been signed in the correct space:</p> <ul style="list-style-type: none"> • the original mortgage application, • the valuation report. 	
13.	Original Balance /Amount Advanced	<p>The original amount advanced should be agreed to:</p> <ul style="list-style-type: none"> • the primary system of record for the mortgage; and • the paper record of the offer. 	AR 66
14.	Currency	<u>For non Sterling mortgages</u> – where the system of record can support mortgages in different currencies, the currency must be agreed to the system of record.	AR 65
15.	Origination Date	The origination date must be agreed to the primary system of record for the mortgage.	AR 55
16.	Maturity Date	The maturity date must be agreed to the primary system of record for the mortgage.	AR 56

No.	Criterion	Level of assurance	AR Code
17.	Current Balance	The current balance must be agreed to the primary system of record for the mortgage. As per the data template definition, Current Balance should include any amounts that are secured by the mortgage and will be classed as principal. For example if fees have been added to the loan balance and are part of the principal in the transaction these should be added. It should exclude any interest arrears, non-capitalised arrears or penalty amounts.	AR 67
18.	Payment Method	The repayment method must be agreed to the primary system of record for the mortgage.	AR 69
19.	Interest Rate	The following items must be agreed to the primary system of record for the mortgage: <ul style="list-style-type: none"> • interest rate type, • current interest rate index, • current interest rate, • current interest rate margin. 	AR 107-110
20.	Arrears	The value of arrears must be agreed to the primary system of record for the mortgage to a value within 1%. The number of months in arrears should be agreed to the primary system of record for the mortgage, including fractions.	AR 169, AR170
21.	Offset Savings Balance	<u>For offset mortgages</u> – the offset savings balance must be agreed to the primary system of record for the savings account.	AR 102
22.	Maximum Balance	<u>For mortgages with flexible re-draw facilities</u> – the maximum loan amount potentially outstanding must be agreed to the primary system of record for the mortgage.	AR 87
23.	Shared Ownership % Original share	<u>Where the mortgage is shared ownership or shared equity</u> – the original percentage owner by the borrower must be agreed to the paper record.	AR 103

Unless otherwise agreed with the Bank, data should be provided on a disaggregated, sub-account basis and audited as such.

All audits must explicitly state the number of loan files in the tape (as a whole) as well as the sample size taken (the specific number of loans alongside the statistical accuracy).

All tests should be completed unless otherwise agreed with the Bank or are clearly not applicable to the type of loan.

Any field that is untested during the audit requires an explicit explanation in the report as to why this was the case.

The audit results should be completed in line with the Bank's supplied template available [here](#). The results should be presented to the Bank in both pdf and excel formats.

Additional whole data tape checks are carried out entirely at the discretion of the institution and their auditor. These are not obligatory as part of the Bank's audit.