

# AGGREGATOR REPORTING

This document outlines Professional Lenders Association Network of Australia Pty Limited (PLAN Australia), Aggregator Reporting recommendations proposed by Combined Industry Forum (CIF). CIF was established to respond to proposals outlined in the Australian Securities and Investments Commission's (ASIC) 2016 Review of Mortgage Broker Remuneration (ASIC Report) and takes into account the third party recommendations of the Australian Bankers' Association (ABA) 2016/2017 Retail Banking Remuneration Review (Sedgwick Review). Reform 5 of CIF outlines public reporting commitments for all aggregators including lender reporting for PLAN Australia.

## 1.1.1 Aggregator/Broker Group<sup>1</sup> report 1

Under CIF proposals, Aggregators are to publish and provide to ASIC the list of all lenders available on panel and percentage share of business written with each over the previous financial year (1st July – 30th June).

Note that this data is **residential lending only**. Note: groups may report on total settlements i.e. Including commercial and asset finance but, in such cases, residential lending to be clearly identified.

Paid Settlements is the \$ value of settlements actually disbursed by the Lender in relation to business introduced by brokers aligned to the Aggregator/Broker Group in a particular financial year.

The data in all report scenarios relates to the reporting period 1st July 2019 – 30th June 2020.

PLAN Australia			
Lender Name	% Value of Total Paid Settlements 01/07/2019 – 30/06/2020	Lender Name	% Value of Total Paid Settlements 01/07/2019 – 30/06/2020
Adelaide Bank	1.43%	La Trobe	2.61%
AMP Banking	1.77%	Liberty Financial	1.87%
ANZ Bank	10.98%	Loans Today Personal	0.02%
Auswide Bank Ltd	0.29%	Macquarie Bank	8.79%
Bank First	0.11%	ME Bank	2.50%
Bank of Melbourne	3.74%	Mortgage Mart	0.10%
BankWest	6.52%	My State	0.70%
Beyond Bank	0.74%	NAB	8.54%
Bluestone	0.57%	Newcastle Permanent	0.93%
Citibank	1.15%	P & N Bank	0.34%
Commonwealth Bank	14.43%	People's Choice Credit Union	0.43%
CUSA	0.03%	Pepper Home Loans	1.08%
Emoney	0.31%	PLANLend	5.31%
FirstMac	0.96%	Resimac	1.83%
Heartland Seniors Finance	0.00%	St George Bank	3.58%
Heritage Bank Limited	0.45%	Suncorp Metway	2.08%
Homestart	0.03%	Teachers Mutual Bank	0.30%
IMB	0.03%	Victorian Mortgage Group	0.20%
ING Direct	4.94%	Virgin Money	1.00%
Keystart	1.64%	Westpac	7.65%
Latitude Financial Services	0.01%		
		<b>Total</b>	<b>100%</b>

<sup>1</sup> Broker groups have been incorporated in the reporting section to reflect that systems may not have visibility on broker group activity. Inversely, caution needs to be taken that information from a broker group that is also part of an aggregator is not double counted.

## 1.1.2 Aggregator/Broker Group report 2

Under CIF proposals, Aggregators/Broker Group's to publish and provide to ASIC the spread of number of lenders<sup>2</sup> being used by brokers in the group/aggregator over the last financial year. Note: timing aligned to all other public reporting using previous financial year (1st July – 30th June):

% of brokers using < than or equal to 3 lenders

% of brokers using 4 - 7 lenders

% of brokers using 8+ lenders

PLAN Australia		
% of Brokers		
Using less than or equal to 3 lenders	Using 4 -7 lenders	Using 8+ lenders
32.00%	33.00%	35.00%

<sup>2</sup> Lenders to be included where there were paid settlements by the Lender in relation to business introduced by brokers aligned to the Aggregator/Broker Group in the financial year.

## 1.1.3 Aggregator/Broker Group report 3

Under CIF proposals, Aggregators/Broker Groups to publish and provide to ASIC the weighted average commission rate percentage earned in the previous financial year (1st July – 30th June) for mortgages.

### Weighted Average Upfront Commission calculation:

Aggregator Weighted Average Upfront Commission	Aggregator Weighted Average Trail Commission
Upfront Commission %	Trail Commission %
0.65%	0.18%

## Glossary of terms

Term	Explanation
<b>Aggregator</b>	The group that holds the direct agreement with a lender i.e. not sub-aggregator. ASIC also further defines an aggregator as: “A business which provides aggregation services to a broker business or broker and with which a lender a direct contractual relationship. It does not include a broker business or broker which does not provide aggregation services, even if there is a direct contractual relationship with the lender. If a lender has a contractual arrangement with an entity for aggregation services and a related party of that entity provides the aggregation services to a broker business or broker, then the two entities are treated as one aggregator”
<b>Broker</b>	A registered individual Credit Representative that is active as at 30 June for the completed reporting period and has been operating as a broker for the 12-month reporting period
<b>Lender</b>	Includes a person who has a servicing agreement with a special purpose funding entity (ASIC definition)
<b>Lenders Available</b>	All lenders whom the aggregator has an active agreement in place with at time of publication
<b>Lenders Used</b>	Based on paid settlements to the broker during the reporting period
<b>Paid Settlements for Aggregator Reporting</b>	\$ value of residential mortgage settlements disbursed by the Lender in relation to business introduced by brokers aligned to the aggregator in the reporting period
<b>Reporting Period</b>	1 July to 30 June of the financial year; data is taken once per annum, not on a rolling annual basis

## FAQs

Question	Answer
What if a broker has been operating less than a 12-month period?	Still required to report, however note to be included advising as such. Note that a new broker includes those with less than a 12-month period with the current broker group.
How often does the reported data have to be updated?	Once per annum, at the conclusion of the financial year.
How do I treat off panel lenders?	For aggregator reporting it should include all reported volume from the lenders to the aggregator where there is an active agreement in place. i.e. off panel lenders are not included.