

**Unit: LC8 Manage the quality of lending**

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**Overview**

This unit is about reviewing lending applications for approval. You will need to assess applications that have been prepared by others in your team, establishing that the level of risk is acceptable and that appropriate insurance cover is arranged. You are required to be a 'mandate holder' and to demonstrate that you undertake this responsibility competently. You will have authorisation to approve loans, including mortgages and unsecured loans, up to prescribed limits.

***Outcomes of effective performance***

- LC8/O1 You analyse and establish the level of risk within loan applications against your organisation's criteria and guidelines
- LC8/O2 You justify your decision to progress lending documents in accordance with your mandated authority and your organisation's guidelines
- LC8/O3 You arrange insurance cover for loans, where it is necessary, according to your organisation's guidelines and the needs of the borrower
- LC8/O4 You identify any special insurance risks and address them according to your organisation's guidelines
- LC8/O5 You ensure that all properties for which a mortgage is agreed are insured according to your organisation's requirements
- LC8/O6 You ensure that accepted mortgage documentation is prepared by approved solicitors or licensed conveyancers
- LC8/O7 You ensure that mandated application forms are accurate and complete

- LC8/O8 You ensure that approved applications satisfy your mandated authority and your organisation's lending criteria, with your decision to mandate confirmed by your signature
- LC8/O9 You refer applications outside your own authority to approve to the appropriate person
- LC8/O10 You make sure that loan advances are monitored routinely to completion
- LC8/O11 You comply with legal requirements, industry regulations, organisational policies and professional codes

***Behaviours which underpin effective performance***

- LC8/B1 You use information and knowledge effectively, efficiently and ethically
- LC8/B2 You show integrity, fairness and consistency in the decisions you make
- LC8/B3 You are vigilant for potential risks
- LC8/B4 You pay attention to details that are critical to work
- LC8/B5 You carry out tasks with due regard to your organisation's policies and procedures, including those covering health and safety at work

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***Knowledge and understanding***

1. Your organisation's mortgage-related products and services
2. Your organisation's requirements relating to legal and regulatory requirements and codes of conduct
3. Your organisation's criteria and procedures for approving and mandating mortgage and other loan applications within your authority to approve
4. The limits of your authority when approving and mandating loan advances
5. To whom you should refer applications that you do not have the authority to approve
6. Your organisation's criteria and guidelines for establishing risk inherent in loan applications
7. Those colleagues to whom your decision regarding loan applications has to be notified
8. Your organisation's guidelines for dealing with fraud and money laundering issues
9. Your organisation's guidelines for arranging insurance cover for loan advances
10. What documentation is required to support loan advances
11. Your organisation's requirements relating to the application of codes, laws and regulatory requirements, including health and safety, as they impact on your activities