



UK MORTGAGE PRISONERS' STATEMENT ON THE LSE REPORT FOR MORTGAGE PRISONERS

UK Mortgage Prisoners would like to thank Martin Lewis for funding the research and researchers at LSE for their attempts to find solutions. However, it is disappointing that a full cost/benefit analysis could not be conducted due to data limitations. The lack of transparency and failure to provide LSE with the required data is at best incompetence and at worst obstruction.

It is now abundantly clear that borrowers were 'not to blame' for taking out mortgage products viewed as 'positive innovations' with 'household names' such as Northern Rock and Bradford and Bingley. This latest research reaffirms that borrowers did nothing wrong. The fault lies largely with 'successive governments' through the expansion of the mortgage market prior to the global financial crisis and mortgage prisoners' borrowing was commensurate with economic policies actively promoted at that time.

The world economy crashed, businesses and jobs were lost, and interest rates plummeted in a bid to support the nation through the 2008 economic downturn. However, this support was not extended to mortgage prisoners. The government acquisitioned our members' homes, suspended internal mortgage product transfers, and hiked the margins on SVRs by 400%. While the harms were known, the government failed to intervene in 2013 and were exacerbated by the FCA through the Mortgage Market Review in 2014. Ordinary, hardworking people were scapegoated and exploited; the government disposing of their homes onto zombie banks, putting profits over consumer protections, livelihoods, and family life. As such, we agree with LSE that there is, at least, an ethical case for the government to intervene.

Through our own reports, previous MSE report, and now the broader outcomes outlined in the LSE report, the case is now clear. The government must accept responsibility and take immediate action for **all** mortgage prisoners to remedy the problems it has created and sustained for far too long.