
Overview

This standard is about confirming the terms and conditions of financing or credit facilities, securing your customer's agreement to those terms and conditions, and activating the facility for the customer. It may involve any type of business financing, including overdrafts and credit cards. You will need to pay attention to details that are critical to your work and will need to evaluate different types of reports in relation to customers and their business, including the customer's financial position and the strength of their business. You will have to clarify issues relating to security against which a charge is to be made, as well as authorise the activation of the agreed financing or credit facility. You will need to ensure that all negotiations are conducted within the remit of your organisation's policies and procedures. You will liaise with a range of people, including both internal and external specialists, other colleagues and customers themselves.

Performance criteria

You must be able to:

1. Evaluate all relevant information or recommendations before making judgements about financing or credit facilities in accordance with your organisation's procedures
2. Approve facilities within your own limits of responsibility and your organisation's guidelines for financing or credit facilities
3. Inform customers of decisions and obtain written acceptance of the financing or credit facility in accordance with your organisation's procedures
4. Confirm the customer's understanding of all relevant aspects of the financing in accordance with your organisation's procedures
5. Arrange for the preparation of all contracts in accordance with your organisation's requirements
6. Obtain confirmation that security is in place in accordance with your organisation's procedures
7. Arrange to activate the financing or credit facility and advise customers in accordance with your organisation's procedures
8. Keep accurate and up-to-date records of action taken in accordance with your organisation's procedures
9. Identify potential risks in accordance with your organisation's procedures
10. Comply with legal requirements, industry regulations, including ethical standards, organisational policies and professional codes of practice

Knowledge and understanding

You need to know and understand:

1. The limits of your authority to approve applications for business financing or credit facilities
2. Relevant legislation and regulations affecting your work
3. Your organisation's guidelines for offering financing or credit facilities to business customers
4. The relevant reports and recommendations relating to your customer's application for financing or credit facilities, including evaluations of financial and non-financial information
5. Principles and methods of assessing and interpreting relevant reports and recommendations
6. The purpose of obtaining written acceptance of agreements
7. The purpose of obtaining security and the forms that security can take
8. Procedures relating to obtaining securities that are required for advances
9. The action that is required to activate facilities
10. Your organisation's requirements relating to the application of codes, laws and regulatory requirements, including ethical standards as they impact on your activities

Behaviours

1. You use information and knowledge effectively, efficiently and ethically
2. You show integrity, fairness and consistency in the decisions you make
3. You explain things so others will understand

Progress and finalise applications for business financing and credit facilities

Developed by	FLSP
Version Number	2
Date Approved	March 2017
Indicative Review Date	March 2022
Validity	Current
Status	Original
Originating Organisation	Financial Skills Partnership
Original URN	FSPFC05
Relevant Occupations	Finance
Suite	Financing and Credit
Keywords	Lending; borrowing; lending decision; drawdown; mortgage application; mandate; security; entitlement; balance sheets; terms and conditions; loan; overdraft; secured; unsecured; arrears; credit