

# BSA Response to CP12/24 - Resolution assessments: amendments to reporting and disclosure dates

8 November 2024

# BSA supports the proposals but calls for a more holistic approach to thresholds

The Building Societies Association (BSA) represents all 42 UK building societies, as well as 7 credit unions. Building societies have total assets of over £515 billion and, together with their subsidiaries, hold residential mortgages of £385 billion, 24% of the total outstanding in the UK. They also hold over £385 billion of retail deposits, accounting for 19% of all such deposits in the UK. Building societies account for 40% of all cash ISA balances. They employ around 51,500 full and part-time staff and operate through approximately 1,300 branches, a 28% share of branches across the UK.

Currently five building societies are subject to the Bank of England's (the Bank's) Resolvability Assessment Framework (RAF). Mid-tier societies are not systemic but the Bank has chosen to include them. Various thresholds exist within the regulatory framework including for RAF and we welcome the Bank and PRA reviewing all of these. We believe it is important to periodically review thresholds such that a firm does not become captured by requirements designed for larger more systemic firms purely as a result of organic growth, when the underlying business model and risk profile hasn't changed. We believe this is an important component of ensuring that regulations remain proportionate over time. We would like to encourage the Bank and PRA to conduct a more holistic review of all the thresholds that exist within the framework with a view to aligning thresholds across the different components. It could also be useful for the Bank and PRA to publish some high level principles around how it will review thresholds in the future to give firms more certainty and to promote more effective competition and growth. We will respond separately to the separate proposals to increase the MREL indicative threshold from £15-25bn to £20-30bn.

The BSA supports the proposals in CP12/24 to remove the fixed dates for submission of information to the Bank every two years, and publication of a summary. We would also encourage the Bank in setting future submission timelines to consider how the timelines dovetail with timelines for the submission of Recovery Plans as this will likely include the same teams of people in firms.

By Ruth Doubleday  
Head of Prudential Regulation  
ruth.doubleday@bsa.org.uk  
020 7520 5927

York House  
23 Kingsway  
London WC2B 6UJ

020 7520 5900  
@BSABuildingSocs  
www.bsa.org.uk

[www.bsa.org.uk](http://www.bsa.org.uk)

The Building Societies Association (BSA) is the voice of the UK's building societies and also represents a number of credit unions.

We fulfil two key roles. We provide our members with information to help them run their businesses. We also represent their interests to audiences including the Financial Conduct Authority, Prudential Regulation Authority and other regulators, the Government and Parliament, the Bank of England, the media and other opinion formers, and the general public.

Our building society members have total assets of over £507 billion, and account for 23% of the UK mortgage market and 19% of the UK cash savings market. Within this, societies account for 40% of all cash ISA balances.