



## PRA Regulatory Digest

1-31 January 2015

This digest is for people with an interest in the UK financial services industry and highlights key regulatory news and publications delivered for the month. Readers are encouraged to continue to visit the Bank of England website throughout the month, '[subscribe to alerts](#)' and visit the [calendar](#) for upcoming news and publications.

### Contents

[News](#)

[Banking publications and updates](#)

[Insurance publications and updates](#)

[Cross-cutting publications](#)

[Also in the month](#)

### Top news and publications

- Bank Executive Director appointments
- Bank Court Minutes June 2007 – May 2009
- Assessing capital adequacy under Pillar 2 - CP1/15
- Supervisory tools: Recovery and resolution plans - PS1/15, SS18/13 and SS19/13

## News

27 January

### [Bank of England Executive Director appointments](#)

The Bank of England announced two new appointments to its Executive Team.

The Court of the Bank of England approved the appointment of Alex Brazier as Executive Director for Financial Stability Strategy and Risk (FSSR), effective from 16 March 2015. Alex joined the Bank in 2001 as an economist, and has held a variety of increasingly senior positions over the course of his career, most recently as Private Secretary to the Governor since November 2011. Alex will report to the Deputy Governor for Financial Stability Jon Cunliffe, and following consultation with the Chancellor, will become a member of the FPC effective from 1 April. His appointment fills the vacancy left by the departure of Spencer Dale in August 2014.

The Court also approved the appointment of Sam Woods as Executive Director for Insurance Supervision, reporting to Andrew Bailey, the Deputy Governor, Prudential Regulation and CEO of the Prudential Regulation Authority (PRA). His appointment is effective from 7 April 2015. Sam joined the Financial Services Authority (FSA) in 2011 and transferred to the Bank in 2013 with the integration of the PRA. He most recently served as Director for Financial Stability Strategy and Risk, and prior to that was Director for Domestic UK Banks Supervision. Before joining the FSA/Bank, Sam spent ten years at HM Treasury, including a year as Secretary to the Independent Commission on Banking. His appointment fills the vacancy left by the departure of Julian Adams in August 2014.

7 January

### [Bank of England Court Minutes June 2007 – May 2009](#)

The Bank of England published, in a special release, the minutes of Court and related meetings from the crisis period of 2007-09, in appropriately redacted form. This follows the Bank's 11 December 2014 announcement of a series of proposals to enhance the transparency and accountability of the Bank. As part of this announcement, the Governor committed to publishing the 2007-2009 Court minutes, as requested by the Treasury Committee.

Governor, Mark Carney said:

"The financial crisis was a turning point in the Bank's history. The minutes provide further insight into the Bank's actions during this exceptional period – the policies implemented to mitigate the crisis, the lessons that were learned, and how the Bank changed as a result.

The Bank is committed to increased openness and transparency and these minutes, in combination with the other recent reviews, provide a complete record of the Bank's activities during the crisis."

## Banking publications and updates

- 30 January [Credit union quarterly statistics - September 2014](#)
- The credit union quarterly statistics are statistics aggregated from the quarterly (CQ) returns submitted by authorised credit unions in the United Kingdom.
- 23 January [Third country equivalence aspects of the credit risk provisions in the CRR, and recognised exchanges - SS20/13](#) – update on dealing with third country equivalence aspects of the credit risk provisions in the Capital Requirements Regulation.
- 19 January [Assessing capital adequacy under Pillar 2 - CP1/15](#)
- This consultation paper sets out proposed changes to the PRA's Pillar 2 framework for the banking sector, including changes to rules and supervisory statements. Under the Pillar 2 framework, the PRA assesses those risks either not adequately covered, or not covered at all, under Pillar 1 capital requirements, as well as seeking to ensure that firms can continue to meet their minimum capital requirements throughout a stress. It also introduces the content of a proposed new statement of policy: The PRA's methodologies to setting Pillar 2 capital. This sets out the methodologies that the PRA proposes to inform its setting of firms' Pillar 2A capital requirements.
- 16 January [Supervisory tools: Recovery and resolution plans - PS1/15, SS18/13 and SS19/13](#)
- This PRA policy statement contains final rules on recovery and resolution planning and is accompanied by two supervisory statements. Together these documents set out the PRA's recovery and resolution planning framework. PS1/15 replaces PS8/13 (published on 19 December 2013). SS18/13 was updated to include the PRA's expectations on scenario testing and the wind-down analysis. SS19/13 was updated to reflect that it now applies to firms and holding companies.
- 
- For information on CRD IV visit the [CRD IV updates webpage](#).

## Insurance publications and updates

- 23 January [Solvency II: transitional measures and the treatment of participations - CP3/15](#)
- This consultation paper seeks views on draft rules to implement Solvency II transitional measures for risk-free rates and technical provisions. The consultation also includes two draft supervisory statements: the first on the PRA's expectations regarding these transitional measures; and the second on the internal model treatment of participations. It follows CP16/14 transposition of Solvency II - Part 3 where the intention to publish this CP was anticipated.
- 21 January [Transfers of Insurance Business under Part VII FSMA - letter from PRA Insurance Directors](#)
- 
- For information on Solvency II visit the [Solvency II updates webpage](#).

## Cross-cutting publications

- 30 January [Depositor, dormant account and policyholder protection – amendments - CP4/15](#)
- This consultation paper sets out proposals for transitional provisions and new rules in the PRA Rulebook and consequential amendments to the PRA Handbook that arise as a result of the rules being proposed in both the Depositor Protection and Policyholder Protection consultation papers ([CP20/14](#) and [CP21/14](#)) published in October 2014.
- 19 January [Financial Services Compensation Scheme – management expenses levy limit 2015/16 - CP2/15](#)
- This consultation seeks views on the management expenses levy limit (MELL) proposed by the Financial Conduct Authority and PRA for the Financial Services Compensation Scheme for 2015/16.

## Also in the month

- 23 January [Cyber resilience: a financial stability perspective - speech by Andrew Gracie](#)
- 22 January [Regulation and the future of the insurance industry - speech by Paul Fisher](#)
- 
- Readers may also find it useful to refer to other [Bank publications](#) and [speeches by Bank officials](#).

## European and international developments

Readers are also referred to the websites for the [European Banking Authority](#), [European Insurance and Occupational Pensions Authority](#), [Basel Committee on Banking Supervision](#), [International Association of Insurance Supervisors](#), and [Financial Stability Board](#).

## Contact us

Send your comments on the Regulatory Digest to [PRA Firm Communications](#).  
For regular updates follow us on Twitter: [@bankofengland](#).  
Find all PRA Regulatory Digests on the [Bank of England website](#).