



BANK OF ENGLAND
PRUDENTIAL REGULATION
AUTHORITY

Firm Feedback Survey 2016/17

December 2017

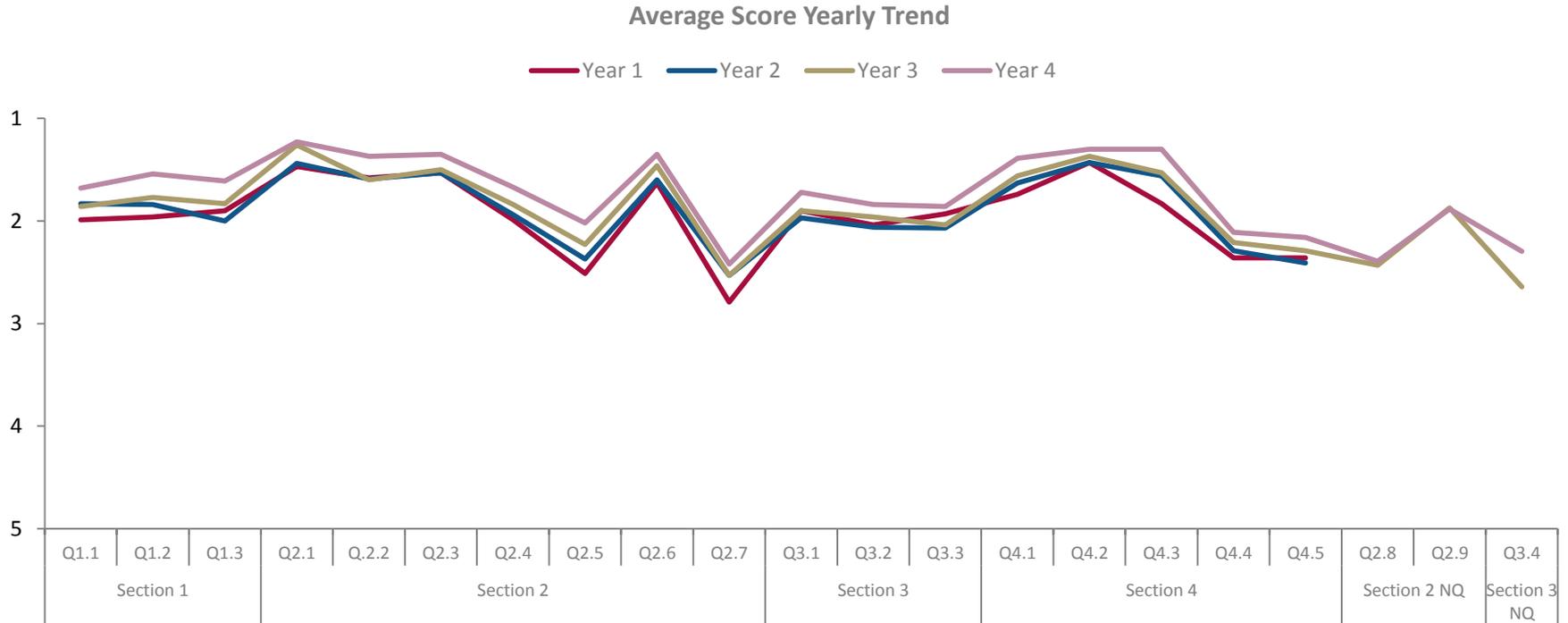


Largest firms regulated by the PRA

The graph below compares the average scores for the from Year 1 (2013/14), Year 2 (2014/15), Year 3 (2015/16) and Year 4 (2016/17). *Note: in reading the graph, 1 is the most favourable score and equates to 'Strongly Agree', 3 is 'Neither Agree or Disagree' and 5 is 'Strongly Disagree'*

The firm feedback survey is split into four sections*:

- Section 1: Supervisory Understanding
- Section 2: Regulatory Objectives
- Section 3: Level of Challenge
- Section 4: Relationship with the PRA



The following slides provides a breakdown of responses from the PRA’s largest firms across each section of the survey and responses to the new survey introduced for small and medium-sized firms.

Q2.8, Q2.9 and Q3.4 were new questions added to the survey in Year 3

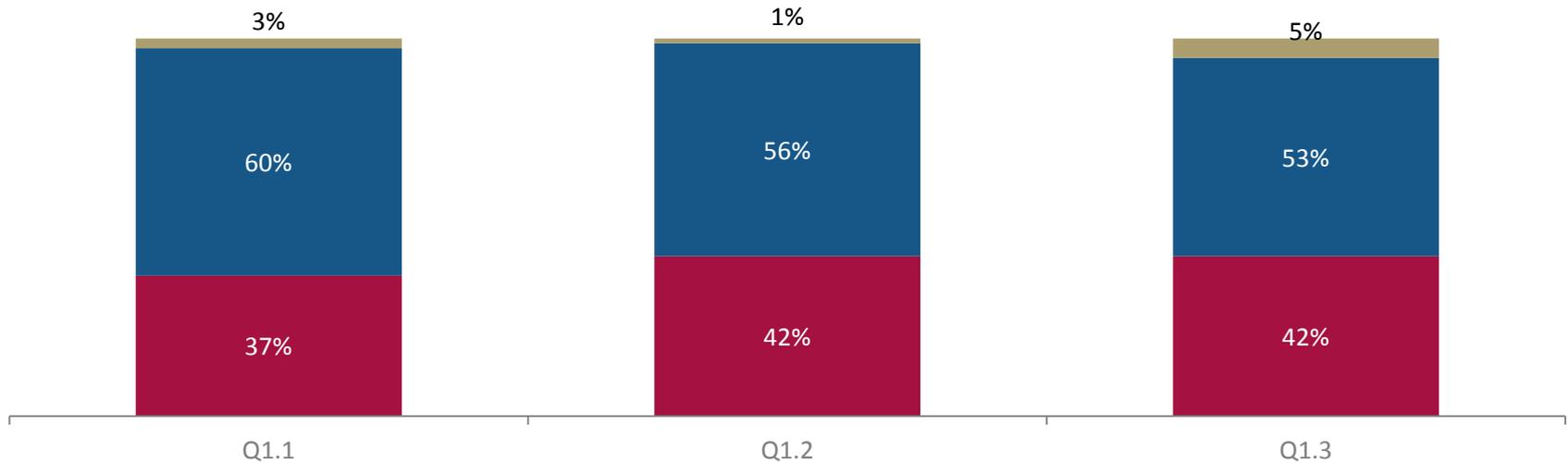


Largest firms regulated by the PRA

The following results show the breakdown of responses focused on the supervision team's understanding of the firm's business model and strategy.

Section 1 - Supervisory Understanding

■ Strongly Agree ■ Agree ■ Neither Agree nor Disagree ■ Disagree ■ Strongly Disagree



Q1.1	The supervisory team has an appropriate understanding of our current business model
Q1.2	The supervisory team has an appropriate understanding of our strategy
Q1.3	The supervisory team has an appropriate understanding of the market our firm operates in

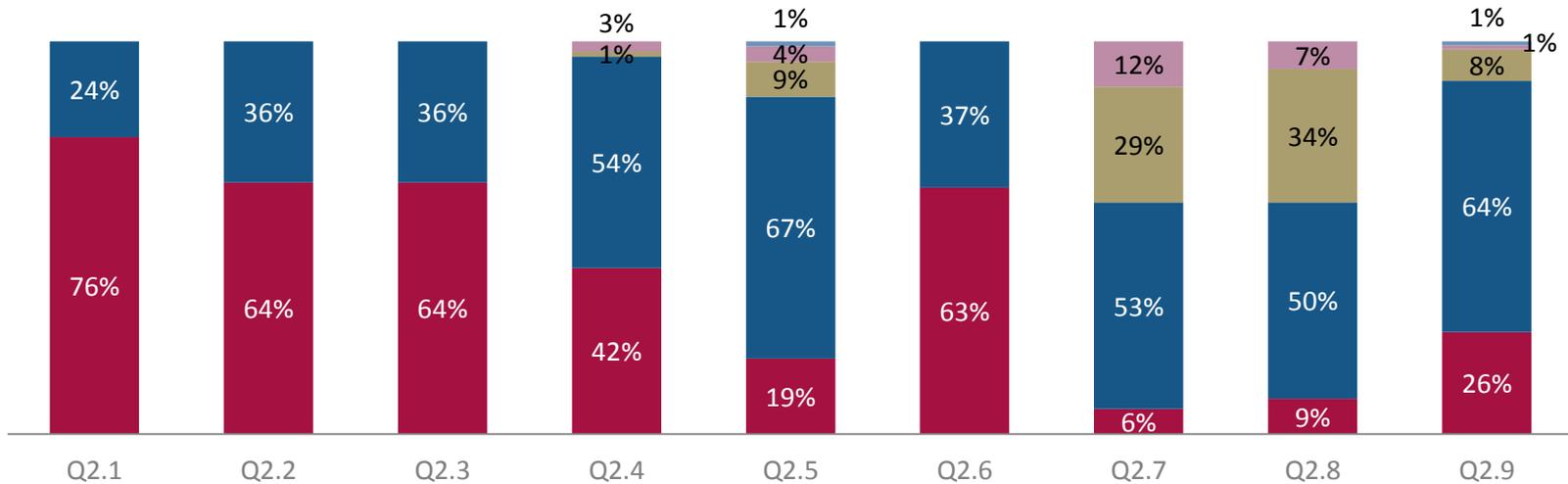


Largest firms regulated by the PRA

The following results show the breakdown of responses focused on the PRA's regulatory objectives, coordination with the FCA and overseas regulators, and the effectiveness of information channels.

Section 2 - Regulatory Objectives

■ Strongly Agree
 ■ Agree
 ■ Neither Agree nor Disagree
 ■ Disagree
 ■ Strongly Disagree



Q2.1	My firm has a clear understanding of the regulatory objectives of the PRA
Q2.2	My firm has a clear understanding of the impact of the PRA's regulatory objectives on us
Q2.3	We are clear as to what the PRA feels are the key risks impacting our firm
Q2.4	We are clear what the PRA's expectations are as to what we need to do to address these risks
Q2.5	The mitigation action required is proportional to the risks identified
Q2.6	My firm has a clear understanding of the distinction between the PRA's regulatory objectives and those of the FCA
Q2.7	The PRA and FCA are appropriately coordinated in their supervision of our firm taking account of their respective regulatory objectives
Q2.8	The PRA and overseas regulators are appropriately coordinated in their supervision of our firm taking account of their respective regulatory objectives
Q2.9	Information channels (e.g. publications, speeches, Bank of England website) are effective at informing our firm of the PRA's expectations

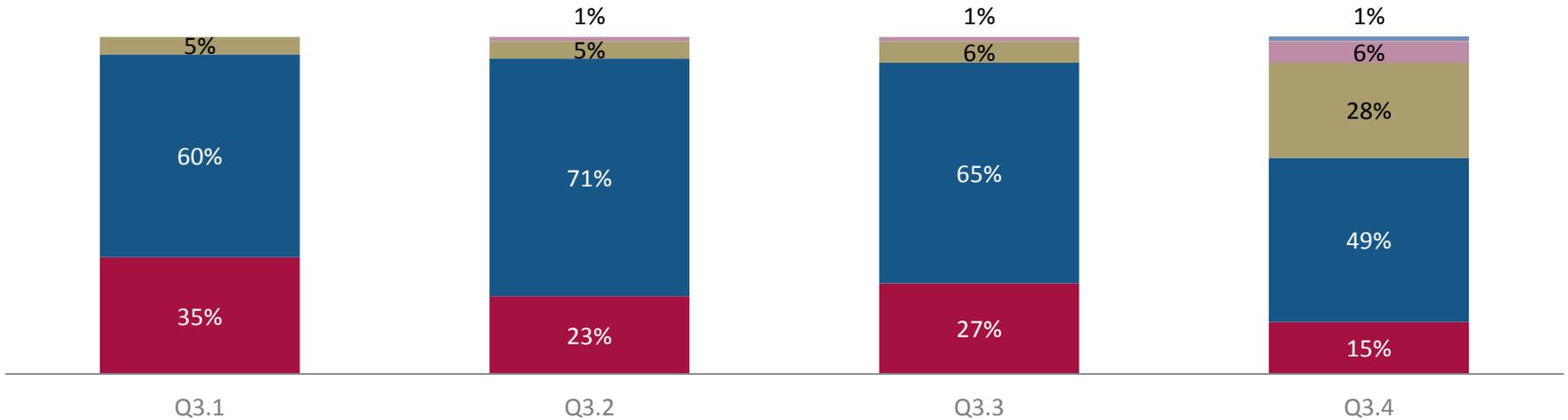


Largest firms regulated by the PRA

The following results show the breakdown of responses focussed on the appropriateness of challenge provided by the supervision team.

Section 3 - Level of Challenge

■ Strongly Agree
 ■ Agree
 ■ Neither Agree nor Disagree
 ■ Disagree
 ■ Strongly Disagree



Q3.1	Supervision challenges appropriately our business model and strategy
Q3.2	Supervision challenges appropriately senior management's judgements of the risks presented by our firm
Q3.3	Supervision challenges appropriately our mitigation of key risks
Q3.4	Challenge from the PRA has influenced our firm's strategy, its execution and/or business operation

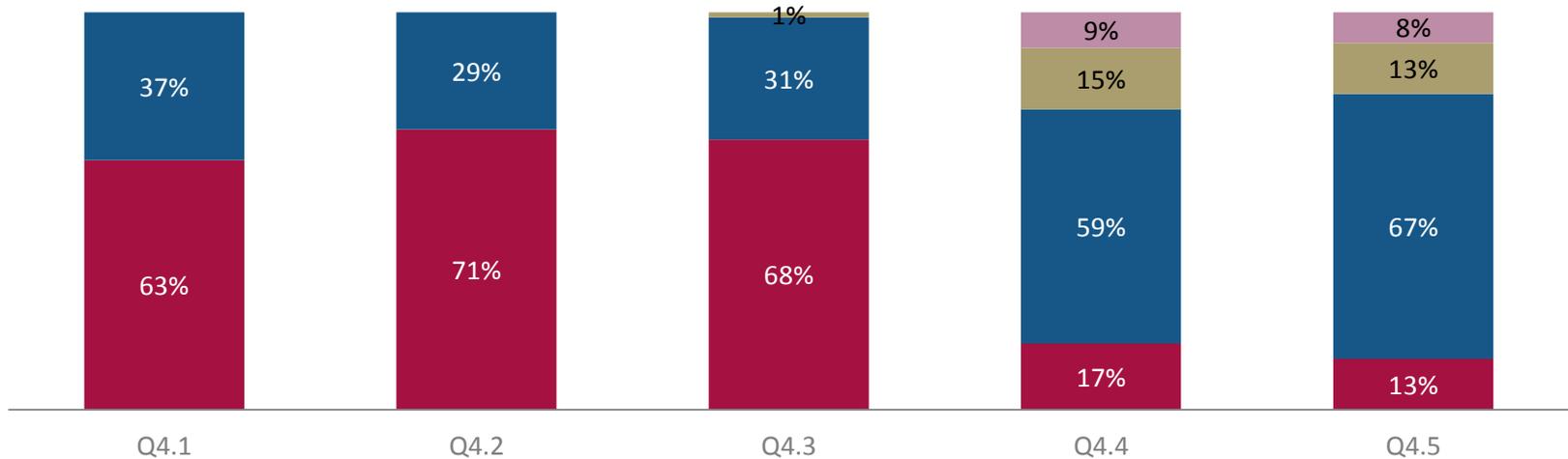


Largest firms regulated by the PRA

The following results show the breakdown of responses focussed on firm’s relationship with the PRA, access to PRA staff and data requests.

Section 4 - Relationship with the PRA

Strongly Agree Agree Neither Agree nor Disagree Disagree Strongly Disagree



Q4.1	My firm has an effective relationship with the PRA
Q4.2	My firm has adequate access to the supervisory team
Q4.3	My firm has adequate access to the PRA senior management team if required
Q4.4	The rationale for requests for data and information from the PRA are clearly explained
Q4.5	Deadlines for requests for data and information from the PRA are generally reasonable



Small and medium-sized firms

After piloting a survey of smaller firms in 2015/16 this year we introduced a new survey with simpler questions. A mixture of 168 small and medium size firms were invited to take part and 119 (71%) responded. The following results show the breakdown of responses across all eight questions.

