

Recommendations for the Prudential Regulation Committee: 2017 to 2019 Parliament

The PRC is responsible for the exercise of the Bank of England's functions as the Prudential Regulation Authority (PRA). The PRA is the UK's microprudential regulator for deposit-taking firms, insurers and systemically important investment firms. The PRA is responsible for ensuring that firms it regulates are properly managing their capital and liquidity positions

The Bank of England Act 1998 requires the Treasury, at least once in each Parliament, to make recommendations to the PRC about aspects of the economic policy of the government to which the PRC should have regard when advancing the objectives and discharging the duties of the PRA.

This letter fulfils the Treasury's statutory requirements detailed above. The Treasury will issue a further letter of recommendations at the next appropriate opportunity under the next Parliament.