

Bank of England PRA

Appendices to CP2/25 – Leverage Ratio: changes to the retail deposits threshold for application of the requirement

Consultation paper | CP2/25

March 2025

Draft for consultation



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1: Draft PRA Rulebook: CRR Firms: Leverage Ratio (CRR) Instrument 2025

Powers exercised

- A. The Prudential Regulation Authority (“PRA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 137G (The PRA’s general rules);
 - (2) section 137T (General supplementary powers); and
 - (3) section 192XA (Rules applying to holding companies).
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instrument) of the Act.

PRA Rulebook: CRR Firms: Leverage Ratio – Capital Requirements and Buffers Instrument 2025

- C. The PRA makes the rules in the Annex to this instrument.

Commencement

- D. This instrument comes into force on [DATE].

Citation

- E. This instrument may be cited as the PRA Rulebook: CRR Firms: Leverage Ratio – Capital Requirements and Buffers Instrument 2025.

By order of the Prudential Regulation Committee

[DATE]

Draft for consultation

Annex

Amendments to the Leverage Ratio - Capital Requirements and Buffers Part

In this Annex new text is underlined and deleted text is struck through.

1 APPLICATION AND DEFINITIONS

1.1 Unless otherwise stated, this Part applies to:

(1) every *CRR firm* that:

(a1) on the *firm's last accounting reference date*, had *retail deposits* equal to or greater than ~~£50~~£70 billion on an individual basis; or

...

(1A) every *CRR consolidation entity* that:

(a) on the *CRR consolidation entity's last ~~accounting reference date~~ accounting reference date*, had *retail deposits* equal to or greater than ~~£50~~£70 billion; or

...

(2) a *ring-fenced body* that is required to comply with Parts Two and Three of the *CRR* on a *sub-consolidated basis* and that:

(a) on its last *accounting reference date*, had *retail deposits* equal to or greater than ~~£50~~£70 billion; or

...

2: Draft amendments to Supervisory Statement (SS) 45/15 – The UK leverage ratio framework

The following paragraph of SS45/15 is amended as shown to reflect the changes in the retail deposits threshold for application of the leverage ratio requirement.

...

1.A Overview – the UK leverage ratio

1.A.1 The Leverage Ratio – Capital Requirements and Buffers Part applies to the following firms on the following bases:

- i. All firms with retail deposits equal to or greater than £70 billion or foreign assets equal to or greater than £10 billion, when calculated on an individual basis are in scope.¹ Such firms must comply with the Part on an individual basis (subject to section 4 below), unless they are otherwise subject to the Part on the basis of their own consolidated situation because they are either: CRR consolidation entities referred to in (ii); or a ring fenced body identified in (iii) that is the ultimate parent within its RFB sub-group.

...

¹ For this purpose, foreign assets means financial assets for which the counterparty is resident in a country or territory outside the UK, as reported in LV44, line 0050.