

The Leader of the Conservative, Labour, SNP and Liberal Democrat Parties

### **Strong financial services sector for people and business**

Ahead of next month's General Election I am writing to you about the key challenges which building societies have identified through the experience of their 21 million members across the UK. Building societies exist for people, not shareholders. Helping them to save, be more resilient and borrow to own their own home. We have a positive history and are working hard to build a dynamic future. We are about capitalism, but capitalism with a social purpose. One in three of all new mortgages come from a building society and we also serve those not well catered for by other providers.

People need a strong, healthy and diverse financial services landscape if they are to fulfil their ambitions, whether this is to own or rent a good quality home or be financially resilient in the face of unexpected events. Building societies exist to help in these areas, but we see people struggling to achieve their ambitions.

To help people achieve their goals we call on you to make three commitments to:

- **Build a diverse and resilient economy** by moving away from the UK fixation on shareholder owned businesses. A diverse financial sector, including mutuals, delivers resilience in times of crisis and improves competition and choice for consumers all the time. Ensuring that the Treasury recognises mutuality as one legitimate route to privatise public assets would help make this happen.
- **Tackle housing affordability** by building more homes across all tenures; recognising shared ownership as a secure and affordable tenure in its own right; and accepting that there will be an increasingly intergenerational approach to home ownership for ordinary people by removing existing tax penalties.
- **Encourage a savings culture** to strengthen household resilience, by delivering simple, consistent policies that give savers the confidence to save and continue to invest in financial education for children, young people and adults.

I am sure you agree that consumers need a strong and healthy financial services landscape in the years ahead. We believe these commitments are part of the solution and would be pleased to provide further detail if you would find it helpful.

With best wishes,

Robin Fieth  
Chief Executive