

European DataWarehouse Ltd

Response to the FCA CP26/6 Consultation on Rules for Reforming the Securitisation Framework

EDW Ltd
18/05/2026

Contents

I.	Executive summary	2
II.	Introduction.....	3
	Context and process concerns.....	3
	Process and evidential considerations.....	3
III.	EDW Response to CP26/6 Questions	4
	Question 12: Format of Templates and removal of XML	4
	Question 17: Comments on retained templates.....	5
	Data quality considerations	5
	EDW Data Quality Scoring for ESMA and FCA Loans	6
	Alignment with BoE templates	6
	Removal of specific fields	7
	Summary.....	7
	Question 19: Comments on CLO template implementation.....	7
	Question 23 – Removal of the requirement to report to securitisation repositories.....	8
	Data Fragmentation	8
	Operational Risk Transferred to Manufacturers.....	9
	Role of loan-level data in identifying fraud and irregularities	9
	Summary.....	9
	Question 32 – Alternative approaches if FCA proposals are disagreed with	10
	Question 47 – Cost Benefit Analysis	10
	Additional points not explicitly addressed in CP26/6	12
	Annex – Empirical Evidence from SR Operations (Data Quality and Access).....	13
	1. Purpose of this annex.....	13
	2. SR Data quality controls and analysis.....	13
	3. Scale and cost of embedded SR controls	16
	4. Access and usage statistics	16
	5. Supervisory implications.....	17
	6. Relevance to CP26/6 proposals	17

I. Executive summary

EDW Ltd welcomes the FCA's objective of simplifying the UK securitisation transparency framework but has significant concerns that CP26/6 does not sufficiently reflect the role, obligations or operational experience of regulated securitisation repositories ("SRs"). In particular, SRs were not represented at the industry roundtables informing the proposals, despite the fact that the measures would fundamentally alter, or effectively dismantle, the regulated SR framework. As a result, the consultation risks misattributing issues relating to data access, usability, data quality and costs and benefits to SRs, when these concerns largely arise from regulatory design choices (such as mandatory XML and query-based access) and from manufacturers' reporting practices.

EDW does not support the proposal to remove the requirement to report public securitisations to regulated SRs. Securitisation Repositories provide a centralised, supervised and standardised disclosure infrastructure that supports market-wide comparability, investor due diligence and FCA supervisory oversight. Removing SRs would fragment disclosure across multiple unregulated platforms and channels, increasing search costs, duplicating effort and disproportionately disadvantaging smaller investors and new entrants. It would also result in the loss of an established supervisory data source unless explicitly replaced. These fragmentation and supervisory costs are not adequately reflected in the cost-benefit analysis ("CBA"), which also materially overstates the marginal cost of SR reporting relative to actual market pricing.

The importance of transparency and consistent, standardised disclosure in securitisation markets has been a central feature of the post-crisis regulatory framework. As HM Treasury has recognised, *"Securitisation is considered to have played a significant role in the Global Financial Crisis (GFC)..., due to insufficient transparency of the risk involved and the misalignment between investors' and manufacturers' interests. This created an impetus for reforms that would introduce stricter standards and make securitisations simpler and more transparent. The Securitisation Regulation... was a key element of these reforms in the UK... [and] Well-structured and robust securitisation can support economic recoveries."* (HM Treasury, **Review of the Securitisation Regulation: Call for Evidence**, June 2021.)

These reforms underpin investors' ability to assess risk and maintain confidence, and remain central to effective supervision and market functioning. In practice, this is delivered through ongoing disclosure obligations requiring granular, standardised data on underlying exposures and transaction structures, forming the foundation for transparency, comparability and risk assessment. EDW notes that FCA CP26/6 does not substantively assess the impact of removing this framework on supervisory data continuity, oversight and transition risk, as evidenced in the Annex, parts 2-4, and further discussed in Q12, Q17, Q19, Q23, Q32 and Q47.

EDW therefore recommends a targeted reform approach aligned with the FCA's stated objectives and the underlying drivers identified in the CBA. This would retain regulated SRs as the default disclosure channel while reforming the most burdensome elements of the regime, most notably by removing XML, mandating structured but flexible tabular formats, focusing remediation on empirically problematic data fields, and simplifying overly prescriptive operational requirements for SRs under SECN 9.5 and 9.6 (EU 2020/1229 and 2020/1230). Such an approach would reduce costs and improve usability without sacrificing data quality, market comparability or supervisory effectiveness.

II. Introduction

Context and process concerns

EDW Ltd is an FCA authorised securitisation repository ("SR"). While we welcome the FCA's overarching objective to simplify the UK securitisation framework, we are concerned that the consultation and associated evidence base do not sufficiently reflect the perspective, obligations or experience of regulated SRs. In particular, we note that SRs were not included in the industry roundtables referenced in the consultation, despite the proposals fundamentally altering, or effectively dismantling the regulated SR framework.

As a result, several statements in CP26/6 incorrectly attribute perceived deficiencies in access, data usability and data quality to SRs, when these issues in fact arise from regulatory design choices (including mandatory XML and query-based access) or from manufacturers' reporting practices. These points are addressed in the relevant question responses below.

Process and evidential considerations

EDW notes that the consultation draws materially on views gathered through industry roundtables at which regulated securitisation repositories were not represented, despite the proposals substantially altering or removing the regulated SR framework. This omission has direct implications for the evidence base underpinning CP26/6, particularly where perceived deficiencies are attributed to SRs rather than to regulatory design choices and supervisory requirements. In particular, core SR operational features required by FCA SECN 9.5 and 9.6 (EU 2020/ 1229 and 2020/1230), such as mandatory XML implementation, query-based access models, extensive validation and data-quality controls, and resilience and continuity obligations, appear not to have been fully reflected in the assessment of costs, usability outcomes or supervisory trade-offs. As a result, EDW considers there is a material risk that the consultation and accompanying CBA overstate inefficiencies associated with SR reporting, while understating both the fixed costs already incurred under the existing regulatory infrastructure and the fragmentation, duplication and loss of supervisory visibility that would arise from its removal.

III. EDW Response to CP26/6 Questions

Question 12: Format of Templates and removal of XML

“Do you agree with our proposals to (i) stop requiring that transparency templates be made available in XML and (ii) no longer impose a uniform file format? Please elaborate on your response.”

EDW agrees with the FCA’s proposal to remove the requirement for transparency templates to be made available in XML format. In practice, XML has often proved difficult to read and operationally burdensome for many data users, particularly where it does not integrate easily into standard analytical workflows or commonly used investor systems.

However, EDW does not support the proposal to remove all minimum structural or format requirements beyond the general test of being *“electronic and machine-readable”*. As drafted, amended SECN 6.2.1A R risks permitting formats that are technically electronic (such as PDFs) but do not preserve data structure or support meaningful automated analysis. This would materially undermine data usability and comparability, contrary to the FCA’s stated objective of enabling investors to *“easily access and use”* information.

In this respect, EDW considers the parallel PRA proposal (Article 7F) to be technically more appropriate. The PRA explicitly requires disclosures to be provided in a structured, tabular format (such as CSV or Excel), thereby preserving machine-readability, data integrity and analytical usability. EDW therefore recommends that the FCA mirror the PRA approach and clarify, at a minimum, that disclosures must be made available in a structured, tabular format that supports automated processing and cross-transaction comparison.

Standardised reporting structures play a critical role in ensuring consistency and comparability of securitisation disclosure across issuers, asset classes and transactions. In the absence of a common structure, manufacturers are likely to adopt proprietary or idiosyncratic formats aligned to internal systems and definitions. While this may increase flexibility for manufacturers, it would materially reduce the value of disclosure to investors and other market participants. Removing uniform formats would also shift the burden of data normalisation from manufacturers and SRs to investors and data users, with broader implications for transparency and accessibility, particularly for smaller or less resourced participants.

These considerations are directly relevant to the FCA’s observations in paragraph 4.30 of the consultation paper regarding delays in receiving query results following requests to securitisation repositories. As a regulated SR, EDW notes that this access model is a direct consequence of the highly prescriptive requirements imposed under the FCA Securitisation Rules, including strict rules governing query content, response scope, XML formatting and secure machine-to-machine interfaces (FCA SECN 9.5.6 R and 9.5.7 R). The operational

complexity arising from this framework should therefore be understood as a regulatory requirement issue rather than as an SR inefficiency, and does not justify the removal of structured reporting requirements more generally.

Paragraph 4.30 also refers to inconsistencies in how manufacturers complete templates. EDW does not consider that removing standardised formats would address the underlying drivers of such inconsistencies. On the contrary, the absence of common structures is likely to exacerbate variability and further impair data usability and accessibility. Data quality issues are primarily driven by manufacturer reporting practices and would be more effectively addressed through targeted supervisory or enforcement action, rather than by dismantling the standardised reporting framework relied upon by investors, manufacturers and regulators.

Finally, while EDW welcomes the FCA's commitment to monitoring market developments and assessing the success of the transparency reforms (paragraph 1.19), we note that the removal of uniform reporting formats will also likely constrain the FCA's ability to aggregate, analyse and compare disclosure data across the market in a consistent and systematic manner.

Question 17: Comments on retained templates

“Do you have any comments on the new templates for SECN 11 Annex 2 (Residential Real Estate), Annex 5 (Automobile), Annex 6 (Consumer), Annex 8 (Leasing) or Annex 10 (Non-performing exposures)? Please elaborate on your response.”

EDW supports the FCA's objective of simplifying securitisation reporting templates and aligning certain asset-class templates with Bank of England (“BoE”) loan-level data. However, we caution against the assumption that numerical reductions in template fields, in isolation, will materially reduce operational burden or improve data quality.

Data quality considerations

Empirical evidence from EDW's data quality (“DQ”) analysis demonstrates that reporting challenges are highly concentrated in a relatively small number of high-impact fields, including arrears metrics, balances, key dates and account status indicators. Importantly, the majority of these fields are retained in the proposed templates. As a result, structural changes to templates, without targeted remediation of these specific fields, are unlikely to deliver meaningful improvements in data quality or reporting efficiency (see Annex, part 2).

Based on EDW’s analysis of ESMA loan-level data across the EU, the following fields account for the most frequent data quality issues:

1. Number of days in arrears	6. Reason for default or foreclosure
2. Redemption date	7. Current valuation date
3. Default amount	8. Original valuation amount
4. Default date	9. Maturity date
5. Current principal balance	10. Original loan-to-value

(Source: Exhibit A EDW DQ Analysis of ESMA Loans 2025.12.)

Of these ten highest-impact fields, only “*reason for default or foreclosure*” is removed under the proposed revisions. The remaining fields continue to feature in the new templates, reinforcing the conclusion that template reduction alone will not address the primary drivers of data quality issues. In particular, a lack of standard definitions for the arrears, defaults and prepayment fields make these incredibly difficult to compare at loan level and aggregate reporting levels.

EDW Data Quality Scoring for ESMA and FCA Loans

EDW’s analysis of submissions across both the UK and EU platforms, further shows that UK data quality lags materially behind EU data quality outcomes under the current regime. Using EDW’s Data Quality Score (A–E), only 12% of UK loans achieve the highest “A” rating, compared with 31% for EU loans, while 32% of UK loans fall into the lowest “E” category, compared with 12% in the EU (see Annex, Exhibit B). This evidence suggests that reducing templates while retaining the worst-performing fields is unlikely to close the quality gap or improve UK outcomes.

	A	B	C	D	E
ESMA	31%	15%	25%	17%	12%
FCA	12%	7%	35%	15%	32%

(Source: Exhibit B EDW Analysis UK and EU DQ Scoring, with percentages rounded to the nearest whole.)

Alignment with BoE templates

Partial alignment with BoE templates does not eliminate parallel reporting burdens. While the proposed templates reduce the number of FCA-specific fields, they do not achieve full convergence with BoE requirements. Firms active in both regimes will therefore continue to operate in a multi-template environment, maintaining parallel data definitions, mappings and validation rules.

Using the proposed Annex 2 (Residential Real Estate) template as an illustrative example, the CP26/6 proposal reduces the total number of FCA fields to 96 (of which 71 are mandatory), compared with 107 fields in the current FCA template. However, full convergence with the BoE template is not achieved. EDW's analysis shows that within the proposed RMBS template:

- 74 BoE fields included in the proposal have an equivalent in the current FCA template;
- 12 BoE fields included in the proposal have no equivalent in the current FCA template; and
- 10 FCA fields retained in the proposal have no equivalent in the BoE template.

(Source: Exhibit C EDW Gap Analysis RMBS Template, see also Annex, Exhibits D and E, Gap Analysis on the Leasing and Auto Templates.)

As a result, firms would still need to support multiple data models and reporting outputs, materially limiting the extent to which operational complexity is reduced.

In addition, the introduction of revised FCA templates would render both the current FCA and existing BoE templates operationally outdated, even where data elements overlap. In the absence of formal convergence or mutual substitution, firms and service providers would be required to implement additional data-mapping and conversion solutions, introducing further transition costs and implementation effort.

Removal of specific fields

EDW also considers that a number of fields deleted from the CP26/6 templates provide important information for investors and broader market transparency and should be retained. Detailed commentary on these fields is set out in the Annex, Exhibits C-F.

Summary

EDW therefore recommends that the FCA focus on targeted reform of demonstrably problematic data fields, informed by empirical data quality evidence, rather than relying primarily on wholesale template redesign. This approach would be more likely to reduce reporting burdens, improve data quality outcomes and deliver the FCA's stated transparency objectives.

Question 19: Comments on CLO template implementation

“Do you have any comments on the proposed fields included in (or excluded from) the proposed new SECN 11 Annex 4A for CLOs? Please elaborate on your response.”

EDW notes that the introduction of a new CLO reporting template would require all stakeholders to adapt their systems, both for data production and consumption. These implementation costs are not reflected in the CBA. While the proposed template builds on

the current FCA Corporate template, it would still require a detailed gap analysis and data mapping exercise to support transition.

EDW's mapping identified the following equivalencies and differences between the current Annex 4 and the proposed Annex 4A:

- **Inclusions:** 66 fields have direct equivalents
- **New fields:** 3 fields have no equivalent
- **Exclusions:** 52 fields (relative to the current Corporate/SME template) are removed
- **Reduction:** total fields decrease from 121 to 69 (c.43% reduction)

The following mandatory fields have no equivalent in the current FCA template:

Field No	Priority	TAG	Field Name
CLO5	Mandatory	Static	Obligor Name
CLO9	Mandatory	Dynamic	Equity
CLO23	Mandatory	Static	Loan security

Issuers would therefore need to adapt existing IT and reporting frameworks, bridging current CLO disclosures (e.g. to investors and rating agencies) with the proposed FCA requirements. This would necessitate data conversion, mapping and transformation solutions to align existing datasets with the new template.

A comparable transition effort would also arise for Corporate/SME securitisations, where the move from the current structured template to a less standardised framework would require re-engineering of reporting processes, with associated cost and operational risk implications.

Question 23 – Removal of the requirement to report to securitisation repositories

“Do you agree with the removal of the requirement for information to be reported to securitisation repositories? Please elaborate on your response.”

We do not agree with the proposal to remove the requirement for information to be reported to regulated securitisation repositories.

Data Fragmentation

Regulated SRs were introduced to provide a centralised, supervised and standardised disclosure infrastructure for securitisation markets. While usage patterns may vary, the existence of a single regulated access point for public deal data materially supports market-wide comparability, transparency and supervisory oversight.

The FCA's proposal would fragment data across multiple unregulated platforms, websites and bilateral distribution channels, significantly increasing search costs and operational complexity for investors conducting cross-deal or cross-originator analysis. This

fragmentation disproportionately disadvantages smaller investors and new entrants, and implicitly favours large institutions with extensive internal data infrastructure.

Operational Risk Transferred to Manufacturers

In addition, regulated SRs operate under stringent operational standards (currently SECN 9.5 and 9.6) which include detailed requirements on governance, continuity, data integrity, operational resilience, and information security. The proposed replacement regime under SECN 6.3.4 provides only high-level principles, with no clarity on enforcement, supervisory responsibility, or the minimum acceptable standards.

The practical effect of this change is to transfer repository due diligence and operational risk management from the regulator and regulated SRs to the manufacturers, without reflecting those additional costs in the cost benefit analysis. EDW considers this neither proportionate, nor consistent with the FCA's stated objectives.

Role of loan-level data in identifying fraud and irregularities

EDW notes that loan-level data performs an important and often under-recognised role as a preventative and diagnostic tool for identifying potential fraud, misrepresentation and operational irregularities in securitisation structures. Granular, standardised loan-level information enables supervisors, investors and third-party analytics providers to detect red-flag indicators such as inconsistent balances, implausible arrears trajectories, repeated valuation anomalies, abnormal default timing, or double pledging of loans and discrepancies across related data fields and reporting periods. These indicators are rarely identifiable from aggregate-level or narrative disclosure alone.

In light of recent fraud and mis-reporting cases observed in the securitisation and structured finance market, the ability to perform cross-loan, cross-deal analysis is more important than ever to support early detection and supervisory intervention. SRs play a critical role in this context by applying systematic validation and proprietary data quality checks (EDW applies over 3,500 data quality checks) across complete loan-level datasets, providing a centralised and supervised environment in which such red-flag analysis can occur (see Annex parts 2.2–2.3). Any dilution of loan-level transparency or fragmentation of disclosure risks weakening this preventative function and increasing the likelihood that material issues are identified only at a later stage, with greater downstream impact on investors and market confidence.

Summary

EDW would support a more balanced approach: retaining regulated SRs while reforming the most restrictive operational requirements (including XML and query constraints), thereby improving flexibility and usability without dismantling the regulatory infrastructure.

Question 32 – Alternative approaches if FCA proposals are disagreed with

“If you disagree with our proposals on the transparency requirements, how could we change them? Please elaborate on your response.”

If the FCA considers that aspects of the current framework do not deliver an appropriate balance between transparency benefits and compliance costs, EDW recommends a targeted reform approach consistent with the FCA’s stated objectives in CP26/6 and the cost–benefit analysis, rather than removal of the regulated SR framework.

Specifically, EDW proposes that the FCA:

- Retain regulated securitisation repositories as the default disclosure channel for public securitisations, preserving a single, supervised access point for market participants and the FCA.
- Amend SECN 6 to require disclosure in *“electronic and machine readable, tabular or spreadsheet form (or other format which preserves data structure and allows data manipulation) such as CSV or Excel”*, as worded by the PRA’s proposed Article 7F. Thereby reducing implementation and maintenance costs by removing XML, whilst maintaining data usability.
- Establish an asset-class-agnostic core data set, with clearly defined annexes for asset-specific information, to reduce duplication and mapping complexity across templates.
- Use evidence from reporting validation and error data to focus reform on the limited number of fields that materially drive operational cost and remediation effort.
- Simplify the FCA SECN 9.5 and 9.6 operational requirements where they are prescriptive rather than outcomes-focused, while retaining core standards on governance, resilience, data integrity and supervisory access.

This approach would align cost reduction more closely with the drivers identified in the CBA, while continuing to support market comparability, effective investor due diligence and FCA supervisory oversight under FCA SECN.

Question 47 – Cost Benefit Analysis

“Do you have any comments on our cost benefit analysis? Please elaborate on your response.”

EDW Ltd has significant concerns regarding the cost assumptions underpinning the Cost Benefit Analysis (“CBA”), particularly in relation to reporting to SRs.

The CBA cites one-off compliance costs of c. £500k and ongoing costs of c. £375k for regulatory reporting. While the per transaction cost estimates are correct for SR services, the overall cost estimates essentially assume that the numbers are purely or primarily a

result or regulatory reporting requirements. We believe that the figures used in the CBA appear to reflect aggregated internal transformation and ongoing costs rather than the marginal cost of regulatory reporting itself.

In practice, manufacturers will still incur substantially similar costs to distribute information, perform platform due diligence and comply with parallel regimes (e.g. Bank of England, ESMA and rating agencies). These offsetting costs do not seem to be adequately accounted for in the CBA.

EDW further notes that a significant proportion of the costs presented in **Table 5 (Summary of monetary estimates from EC consultation, transparency questions, 2024 prices)** are likely to remain under the proposed framework. While some savings may result from the reduction in templates and data fields, these are expected to be partial. Most ongoing compliance costs will continue, and firms will incur additional one-off implementation costs as they transition to new templates and adapt systems and processes.

In particular, the assumption that SR-related costs fall away entirely is not reflective of expected market behaviour. These costs will instead be replaced by expenditure on internal development solutions or outsourced disclosure services. Such replacement costs are not fully captured in the CBA and should be considered economically equivalent, if not higher, in aggregate.

A key example is the pricing of outsourced disclosure services. Currently, regulated SRs are subject to detailed pricing transparency requirements under FCA SECN 9.6.19 (EU 2022/1230, Article 19). These require SRs to maintain and submit to the FCA, a comprehensive pricing policy, including:

- A clearly defined pricing framework, including any discounts or rebates;
- A transparent and granular fee structure across core and ancillary services, supported by defined cost allocation methodologies; and
- Public availability of this information, with clear separation between service types.

SRs are also required to notify the FCA of material changes to their pricing policies and fee structures. This level of regulatory oversight promotes transparency, comparability, economies of scale, and pricing discipline across the market.

In the absence of such a framework, pricing is likely to become less transparent and more commercially variable. EDW therefore considers it reasonable to expect upward pressure on costs, particularly for smaller or less established market participants, who may face reduced bargaining power and higher relative compliance burdens.

Finally, the CBA does not quantify the broader market impacts associated with decentralised disclosure, including data fragmentation, reduced comparability of information, and duplication of investor effort.

EDW therefore considers that the CBA materially overstates the net benefits of removing regulated securitisation repositories and should be revisited.

Additional points not explicitly addressed in CP26/6

EDW notes the following impacts have not been addressed by the FCA in this consultation paper:

- **Supervisory data loss:** Removal of SRs materially reduces the FCA's own ability to perform systematic, market-wide analysis unless alternative supervisory data feeds are established.
- **Regulatory consistency:** Divergence between FCA and PRA approaches to data format risks regulatory incoherence within the UK framework.
- **Transition risk:** The coexistence of legacy EU templates, new UK templates and unstructured disclosures risks prolonged complexity rather than simplification.

Annex – Empirical Evidence from SR Operations (Data Quality and Access)

1. Purpose of this annex

This annex provides factual, SR-specific empirical evidence drawn from EDW’s operational experience, internal data quality analytics and market usage statistics. It is intended to supplement the main response to CP26/6 by grounding the discussion in observed reporting behaviour and actual cost drivers, rather than theoretical assumptions.

2. SR Data quality controls and analysis

2.1 Empirical evidence underpinning Q17 – summary of annex exhibits

- **Exhibit A** (EDW DQ Analysis of ESMA Loans, December 2025) demonstrates that data quality issues are highly concentrated in a small number of recurring fields, including arrears metrics, balances, default-related fields and valuation fields, rather than being evenly distributed across templates. These high-impact fields are largely retained under the proposed FCA templates.
- **Exhibit B** (EDW Analysis EK and EU DQ Scoring) shows that UK and FCA-template submissions materially underperform EU and ESMA submissions, with a significantly lower proportion of high-quality (“A”) outcomes and a higher concentration of low-quality (“E”) outcomes.
- **Exhibits C, D and E** (EDW Gap Analysis of RMBS, Leasing and Auto Templates) shows that the proposed templates achieve only partial convergence with the Bank of England framework, requiring firms to continue supporting parallel data definitions, mappings and validation rules.
- **Exhibit F** (EDW Fields to Retain) identifies a targeted set of data fields proposed for deletion under CP26/6 which, based on EDW’s operational experience, contain decision-useful information for investors, originators and authorities. These fields support risk assessment, comparability and analytics, and their removal would reduce transparency.

Taken together, Exhibits A–F, indicate that template reduction alone, without targeted remediation of demonstrably problematic fields and full convergence across regimes, is unlikely to materially improve data quality or reduce operational complexity.

2.2 EDW Data Quality Framework

As a regulated securitisation repository, EDW operates a comprehensive, rule-based data quality control framework covering completeness, consistency and plausibility checks both within and across templates. These controls are applied systematically to submissions and

form a core component of the supervisory infrastructure established under the securitisation regulatory framework.

In practice, EDW applies:

- More than 3,500 automated data quality checks across securitisation templates, of which approximately 350 core checks are used in the calculation of EDW’s proprietary Data Quality Score; and
- Over 1,000 regulatory validation checks derived directly from the regulatory technical standards.

This control framework has been developed over more than 13 years of operational experience validating securitisation disclosures and goes materially beyond the minimum regulatory requirements. It incorporates empirical insight into observed reporting behaviours, recurring error patterns and field-level inconsistencies across asset classes and jurisdictions.

The removal of both the regulatory data quality validation framework and the additional SR-developed checks would therefore result in a significant lowering of data quality standards across the market. In practical terms, this would weaken the consistency, reliability and comparability of disclosure datasets relied upon by investors and supervisors, and would be directly at odds with the FCA’s stated objectives of improving transparency, usability and effective market oversight.

Importantly, these controls do not represent duplicative or discretionary processes. Rather, they constitute embedded supervisory infrastructure that ensures minimum data standards are applied consistently across issuers and transactions. Eliminating this layer without a clear and equivalent replacement would shift the burden of data validation and reconciliation away from regulated repositories and onto market participants, increasing aggregate cost while reducing overall data quality outcomes.

2.3 Concentration of data quality issues (field-level evidence)

EDW’s empirical data quality analysis shows that reporting issues are not evenly distributed across templates. Instead, a relatively small number of fields account for a disproportionate share of findings, and the failure modes are consistent across securitisation categories.

Using EDW’s analysis of ESMA loan-level submissions (December 2025), the highest-impact fields include:

- | | |
|-------------------------------|---------------------------------------|
| 1. Number of days in arrears, | 6. Reason for default or foreclosure, |
| 2. Redemption date, | 7. Current valuation date, |
| 3. Default amount, | 8. Original valuation amount, |
| 4. Default date, | 9. Maturity date and |
| 5. Current principal balance, | 10. Original loan-to-value. |

Notably, the underlying issue patterns differ by field. For example, EDW’s analysis shows that:

- **Number of days in arrears** is associated with high rates of count-zero and inter-field inconsistency findings.
- **Redemption date** exhibits a high concentration of missing data findings (as well as inter-field issues), reflecting persistent upstream reporting challenges.
- **Default amount** is frequently affected by count-zero, missing data and negative value findings, consistent with inconsistent treatment of default and recovery mechanics in reporting.
- **Current valuation date** shows a notable concentration of unusual date findings, indicating recurring plausibility and timeliness issues around valuation updates.

This evidence supports the conclusion that template restructuring alone is unlikely to reduce remediation effort unless reforms are targeted at the limited subset of fields that repeatedly generate findings. (Exhibit A EDW DQ Analysis of ESMA Loans 2025.12)

2.4 UK vs EU data quality outcomes (DQS distribution evidence)

EDW’s Data Quality Score (DQS) analysis demonstrates that UK submissions lag behind EU outcomes on a comparable basis. Using a sample of 589 public active deals (ESMA and FCA templates), the UK shows a materially weaker distribution across EDW’s A–E scoring compared with major EU jurisdictions. (Exhibit B EDW Analysis UK and EU DQ Scoring)

EDW’s comparative DQS breakdown also shows that FCA-template submissions materially underperform ESMA template submissions on average, with UK-reported data showing lower overall DQS outcomes across comparable metrics. This suggests that removing structural requirements or supervisory gateways is unlikely, in itself, to improve data quality without targeted field-level remediation. Based on EDW’s analysis, ESMA submissions exhibit a significantly higher share of “A” outcomes and a materially lower share of “E” outcomes than FCA submissions. (Exhibit B EDW Analysis UK and EU DQ Scoring)

This is directly relevant to CP26/6 because the proposed template reductions retain most of the high-impact fields identified above. The evidence therefore indicates that template reduction, absent of targeted field-level remediation, is unlikely to materially improve UK data quality outcomes. It also demonstrates that template format (XML versus non-XML) is not the primary determinant of data quality outcomes, rather issues arise from source-system mapping, interpretation of definitions and inconsistent reporting practices by manufacturers. (Exhibit A EDW DQ Analysis of ESMA Loans 2025.12 and Exhibit B EDW Analysis UK and EU DQ Scoring)

2.5 Evidence on partial BoE alignment and continuing multi-template burden (mapping evidence)

EDW's mapping analysis of proposed Annex 2 (Residential Real Estate) demonstrates that while the FCA proposal is structurally aligned to the BoE template, full convergence is not achieved. Specifically, the proposed template contains:

- **74 BoE fields** with an equivalent in the current FCA template;
- **12 BoE fields** with no equivalent in the current FCA template; and
- **10 FCA fields** with no equivalent in the BoE template.

EDW also carried out gap analysis on the Leasing and Auto templates with similar findings. This evidence supports EDW's point in Q17 that firms active in both frameworks will continue to operate in a multi-template environment requiring parallel mappings, validation rules and reporting outputs. It also supports the conclusion that transition costs (data conversion, mapping and system change) remain material even where headline field counts fall. (Exhibits C, D and E EDW Gap Analysis RMBS, Leasing and Auto Templates)

3. Scale and cost of embedded SR controls

The data quality framework applied by SRs represents sunk, fixed investment by regulated entities, including:

- Ongoing development and maintenance of 3,500 automated validation rules;
- Human analyst review of escalated issues and issuer queries;
- Audited and regulated environment;
- Operational stability, record keeping, change management and incident tracking to meet supervisory expectations.

These costs are largely independent of deal volume and are not eliminated elsewhere if SR reporting is removed. Instead, equivalent validation and reconciliation effort would need to be replicated individually by investors, rating agencies or data vendors, at materially higher aggregate cost.

4. Access and usage statistics

SR access models support market-wide transparency through:

- Centralised publication of documentation, loan-level data and investor reports;
- Uniform access rights across user types;
- Stable identifiers and historical records enabling longitudinal analysis.

EDW usage statistics demonstrate sustained and repeat access by institutional investors, data vendors and analytics providers, particularly for cross-deal and cross-originator analysis. Fragmented publication across multiple issuer websites or unregulated portals would materially increase search costs and reduce comparability, disproportionately affecting smaller market participants.

5. Supervisory implications

From a supervisory perspective, SRs provide:

- A single, structured data source capable of supporting systematic market-wide analysis;
- Consistent historical datasets enabling trend analysis, stress identification and peer comparison;
- An audited control environment aligned with SECN 9 governance, resilience and integrity requirements.

The removal of SR reporting would therefore result in supervisory data loss unless explicitly replaced by an equivalent mechanism, a cost not reflected in the CP26/6 CBA.

6. Relevance to CP26/6 proposals

The evidence above supports the conclusions set out in Q12, Q17, Q19, Q23, Q32 and Q47 of EDW's response:

- Removing SRs does not remove the underlying drivers of reporting cost or data quality issues;
- Fixed SR infrastructure costs are overlooked in the CBA, while fragmentation costs are understated;
- A more proportionate approach would retain SRs while reforming specific elements (e.g. XML and excessively prescriptive constraints) that demonstrably drive operational burden.

This empirical evidence underscores the importance of basing policy reform on observed reporting behaviour and existing supervisory infrastructure, rather than on assumptions about format or institutional role alone.