

NAVENDU MISHRA MP



HOUSE OF COMMONS LONDON SW1A 0AA

The Rt Hon Rachel Reeves MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

Via email

1 May 2026

Dear Chancellor,

I would firstly like to take this opportunity to declare an interest as a member of Nationwide Building Society. As a proud member, I am keen to support and promote mutual banking institutions.

Data from the Building Societies Association tells us that in 2024, building society savers received £2.3bn more in interest on their total savings than if they had been paid the average rates offered by large banks, and the sector continues to provide crucial services to first-time buyers.

Vernon Building Society, based in my constituency of Stockport, provides vital support and services to people in the North West. I represent thousands of people who bank with building societies, including Vernon and Nationwide.

I am writing to you to raise a number of emerging governance issues within the building society sector. Building societies serve millions of members, and as their scale and importance grow, it is vital their governance frameworks remain accountable.

In particular, I am concerned by:

1. “Quick Vote” mechanisms

Bundled voting options in building society board elections allow members to approve all Board-backed resolutions and candidates in one step. While convenient, this may reduce scrutiny and advantage incumbents. Parliament has recognised the need for stronger protections in other large membership organisations. In statutory trade union executive elections, UK law prohibits block-vote systems and requires that only direct votes are counted for each candidate.

2. Executive pay votes

Member votes on remuneration are advisory only, unlike binding shareholder votes in listed companies. It is my view that building society members should have stronger rights in this area.

Member of Parliament for Stockport

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3. Virtual-only AGMs

Ahead of the Government's consultation, there are concerns that fully virtual AGMs could limit transparency, challenge, and participation. While hybrid AGMs can widen participation, virtual-only AGMs have risks, including boards controlling which questions are answered within the time permitted; no visibility of unanswered questions; a loss of unfiltered, face-to-face challenge; the inability of Members to meet and organise and the exclusion of Members with reduced digital access or capability.

4. Member Nominated Directors

Building societies are owned by their Members, yet direct member representation on Boards remains uncommon across the sector. This contrasts with other major UK membership-based institutions. Pension schemes commonly include member-nominated trustees as a statutory feature of governance, helping ensure that beneficiaries have a voice in oversight and long-term decision-making. The Co-operative Group, one of Britain's largest mutual organisations, also includes Member Nominated Directors (MNDs) elected through a competitive process (4 MNDs sit on the Board).

Building societies should allocate seats on the Board to MNDs to secure greater direct Member representation alongside other independent non-executive and executive directors. Where Members are the owners, it is reasonable to ask why direct member voice in the boardroom remains the exception rather than the norm.

I would welcome your views on governance standards in the mutual sector, and please could you also advise me on what the Government is doing to promote building society membership? Thank you for your attention to this matter, and I look forward to your response.

Yours sincerely,

Navendu Mishra MP
Member of Parliament for Stockport

CC-

Gareth Thomas MP, (Chair of the All-Party Parliamentary Group on Mutuals)

Notes-

The Guardian: [Nationwide should give its boardroom challenger a fair run | Nils Pratley | The Guardian](#)

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