



Bank of England Act 1998

CHAPTER 11

BANK OF ENGLAND ACT 1998

PART I

CONSTITUTION, REGULATION AND FINANCIAL ARRANGEMENTS

Constitution and regulation

- 1 Court of directors.
- 1A Power to alter membership of court of directors
- 2 Functions of court of directors.
- 2A Financial Stability Objective
- 2AA Macro-prudential measures: Article 458 of the capital requirements regulation
- 2B Financial Stability Committee
- 2C Financial Stability Committee: supplemental
- 3 Functions to be carried out by non-executive members.
- 3A. Oversight functions of court of directors
- 3B Oversight Committee: procedure
- 3C Reviews
- 3D Publication of reports of performance reviews
- 3E Recommendations resulting from review
- 3F Oversight functions: further provisions
- 4 Annual report by the Bank.
- 5 Custody and use of the seal.

Financial arrangements

- 6 Cash ratio deposits.
- 6A Bank of England levy
- 7 Accounts.

Status: Point in time view as at 01/01/2024.

Changes to legislation: Bank of England Act 1998 is up to date with all changes known to be in force on or before 11 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- 7ZA Audit: role of Comptroller and Auditor General
- 7A Accounts of companies wholly owned by the Bank
- 7B Reports on Bank activities indemnified by Treasury
- 7C Accounts of Bank companies carrying on activities indemnified by Treasury
- 7D Examination by Comptroller and Auditor General
- 7E Memorandum of understanding
- 7F Review by the Treasury
- 7G Right to obtain documents and information
- 7H Restriction on disclosing information
- 8 Payments in lieu of dividends.

Supplementary

- 9 Consequential amendments.

PART 1A

FINANCIAL STABILITY

Financial stability strategy of the Bank

- 9A Financial stability strategy

Financial Policy Committee of the Bank

- 9B Financial Policy Committee
- 9C Objectives of the Financial Policy Committee
- 9D Specification of matters relevant to economic policy
- 9E Recommendations by Treasury
- 9F Other general duties
- 9G Functions of the Financial Policy Committee

Directions by Financial Policy Committee

- 9H Directions to FCA or PRA requiring macro-prudential measures
- 9I Compliance with directions under section 9H
- 9J Revocation of directions under section 9H
- 9K Further provisions about directions under section 9H
- 9L Macro-prudential measures
- 9M Statements of policy by Financial Policy Committee
- 9N Parliamentary control of orders under section 9L

Recommendations by Financial Policy Committee

- 9O Making of recommendations within the Bank
- 9P Recommendations to Treasury
- 9Q Recommendations to FCA and PRA
- 9R Recommendations to other persons

Explanation

- 9S Duty to prepare explanation

Review

- 9T Duty to review directions and recommendations

Status: Point in time view as at 01/01/2024.

Changes to legislation: Bank of England Act 1998 is up to date with all changes known to be in force on or before 11 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Publication of record of meetings

- 9U Publication of record of meetings
- 9V Deferred publication

Financial stability reports by Financial Policy Committee

- 9W Financial stability reports by Financial Policy Committee

Meetings between Governor and Chancellor of the Exchequer

- 9X Meetings between Governor and Chancellor of the Exchequer

Power of Bank to require FCA ... to provide information

- 9Y Directions requiring information or documents
- 9Z Further provisions about directions under section 9Y

Supplementary

- 9ZA Interpretation of Part 1A

PART II

MONETARY POLICY

Role of the Bank

- 10 Operational responsibility.
- 11 Objectives.
- 12 Specification of matters relevant to objectives.

Monetary Policy Committee of the Bank

- 13 Monetary Policy Committee.
- 14 Publication of statements about decisions.
- 15 Publication of minutes of meetings.
- 16 Functions of court of directors .

Information and reports

- 17 Power to obtain information.
- 18 Reports.

Treasury's reserve powers

- 19 Reserve powers.

Supplementary

- 20 Interpretation of Part II.

PART III

TRANSFER OF SUPERVISORY FUNCTIONS OF THE
BANK TO THE FINANCIAL SERVICES AUTHORITY

...

- 21 Transfer.

Status: Point in time view as at 01/01/2024.

Changes to legislation: Bank of England Act 1998 is up to date with all changes known to be in force on or before 11 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- 22 Supplementary provisions.
- 23 Consequential amendments.

...

- 24 Status.
- 25 Transfer of supervisory functions of the Bank to the Financial Services Authority
- 26 Transfer of supervisory functions of the Bank to the Financial Services Authority
- 27 Transfer of supervisory functions of the Bank to the Financial Services Authority

Consequential changes to banking bodies

- 28 Transfer of supervisory functions of the Bank to the Financial Services Authority
- 29 Transfer of supervisory functions of the Bank to the Financial Services Authority

Supplementary

- 30 Interpretation of Part III.

PART 3A

PRUDENTIAL REGULATION

- 30A Prudential Regulation Committee
- 30B Recommendations by Treasury
- 30C Operational independence

PART 3B

CENTRAL COUNTERPARTIES AND CENTRAL SECURITIES DEPOSITORIES

- 30D Exercise of functions relating to CCPs and CSDs
- 30E Regulatory principles
- 30F Financial Market Infrastructure Committee
- 30G Functions of the Financial Market Infrastructure Committee
- 30H Information
- 30I Recommendations by Treasury

PART IV

MISCELLANEOUS AND GENERAL

Miscellaneous

- 31 Miscellaneous and general
- 32 Miscellaneous and general
- 33 Closure of National Savings Stock Register to gilts.
- 34 Provision of brokerage service in connection with gilt registration.
- 35 Section 207 of the Companies Act 1989: bearer securities.
- 36 Miscellaneous and general

Status: Point in time view as at 01/01/2024.

Changes to legislation: Bank of England Act 1998 is up to date with all changes known to be in force on or before 11 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

General

- 37 Restriction on disclosure of information.
- 38 Offences in relation to supplying information to the Bank.
- 39 Offences by bodies corporate.
- 40 Orders.
- 41 General interpretation.
- 42 Transitional provisions and savings.
- 43 Repeals.

Final provisions

- 44 Extent.
- 45 Commencement.
- 46 Short title.

SCHEDULES

SCHEDULE 1 — Court of directors

Terms of office

- 1 (1) Appointment as Governor of the Bank shall be for...
- 2 (1) Appointment as non-executive director of the Bank shall be...
- 3 Court of directors
- 4 A person appointed as Governor, Deputy Governor or non-executive director...

Qualification for appointment

- 5 (1) A person is disqualified for appointment as Governor, Deputy...
- 6 (1) The fact that a person has held office as...

Removal from office

- 7 (1) A person appointed as Governor or Deputy Governor of...
- 8 (1) The Bank may, with the consent of the Chancellor...

Powers

- 9 The court may act notwithstanding the existence of one or...
- 10 The court may appoint such sub-committees as it thinks fit...
- 11 (1) The court may delegate such duties and powers as...

Meetings

- 12 (1) The court shall meet at least 7 times in...

Publication of record of meetings

- 12A (1) The Bank must publish a record of each meeting...

Proceedings

- 13 (1) At a meeting of the court, the proceedings shall...

Status: Point in time view as at 01/01/2024.

Changes to legislation: Bank of England Act 1998 is up to date with all changes known to be in force on or before 11 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Remuneration

- 14 (A1) The remuneration of the Governor and Deputy Governors of...
15 A non-executive director of the Bank shall be entitled to...

SCHEDULE 2 — Cash ratio deposits

Eligible institutions

- 1 (1) Each deposit-taker is an eligible institution for the purposes...

Liability base

- 2 (1) For the purposes of this Schedule, the liability base...

Call notices

- 3 (1) The Bank may give an eligible institution notice under...

Calculation of depositable amount

- 4 (1) In the case of any call notice, the amount...

Value bands and applicable ratios

- 5 The Treasury may by order specify for the purposes of...

Effect of call notice

- 6 (1) Where the Bank has given an eligible institution a...

Benchmark rate of interest

- 7 (1) The benchmark rate of interest for the purposes of...
8 The Treasury may by order amend or replace paragraph 7....

Power to obtain information

- 9 (1) The Bank may by notice in writing require an...

Orders

- 10 Before making an order under this Schedule, the Treasury shall...
11 In exercising the power to make orders under paragraph 2(2)...

Interpretation

- 12 In this Schedule— “reference period”, in relation to a call...

Modifications for new entrants

- 13 (1) In its application to the first call notice to...

SCHEDULE 2ZA — Bank of England levy

- 1 “The levy”
2 “Eligible institutions”
3 “Levy year”
4 “Anticipated levy requirement”
5 Liability to pay the levy

Status: Point in time view as at 01/01/2024.

Changes to legislation: Bank of England Act 1998 is up to date with all changes known to be in force on or before 11 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- 6 Payment of the levy
- 7 Recovery of the levy
- 8 Interest
- 9 Power to obtain information
- 10 Regulations

SCHEDULE 2A — Financial Policy Committee

Terms of office of appointed members

- 1 (1) Appointment under section 9B(1)(d) or (e) as a member...
- 2 (1) A person may not be appointed as a member...
- 3 (1) If it appears to the Chancellor of the Exchequer...
- 4 (1) A person appointed under section 9B(1)(d) or (e) may...
- 5 The terms and conditions on which a person holds office...

Qualification for appointment

- 6 (1) The following persons are disqualified for appointment under section...

Removal of appointed members

- 7 A person appointed under section 9B(1)(d) or (e) vacates office...
- 8 A person appointed under section 9B(1)(d) vacates office on ceasing...
- 9 (1) The court of directors of the Bank may, with...

Meetings

- 10 (1) The Committee shall meet at least 4 times in...

Proceedings

- 11 (1) At a meeting of the Committee, the proceedings are...
- 12 The Committee may, in relation to sub-paragraph (2), (3), (4)...
- 13 The Committee may invite other persons to attend, or to...
- 14 (1) If a member of the Committee (“M”) has any...

Decisions otherwise than at meetings

- 15 (1) The Committee may take a decision on a matter...

Power to determine own procedure

- 16 Subject to paragraphs 11, 14 and 15, the Committee is...

SCHEDULE 3 — Monetary Policy Committee

Terms of office of appointed members

- 1 Appointment as a member of the Committee under section 13(2)(b)...
- 2 Monetary Policy Committee
- 2A A person may not be appointed as a member of...
- 2B (1) If it appears to the Chancellor of the Exchequer...
- 3 (1) A person appointed under section 13(2)(b) or (c) may...
- 4 Monetary Policy Committee

Status: Point in time view as at 01/01/2024.

Changes to legislation: Bank of England Act 1998 is up to date with all changes known to be in force on or before 11 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Qualification for appointment

- 5 A person is disqualified for appointment under section 13(2)(b) or...
- 5A The following persons are disqualified for appointment under section 13(2)(c)—...
- 6 The fact that a person has held office under section...

Removal of appointed members

- 7 A person appointed under section 13(2)(b) or (c) shall vacate...
- 8 A person appointed under section 13(2)(b) shall vacate office if...
- 9 (1) The court of directors of the Bank may, with...

Meetings

- 10 (1) The Committee shall meet at least 8 times in...

Proceedings

- 11 (1) At a meeting of the Committee, the proceedings shall...
- 12 The Committee may, in relation to sub-paragraph (2), (3) or...
- 13 A representative of the Treasury may attend, and speak at,...
- 13A The Committee may invite other persons to attend, or to...
- 13B (1) If a member of the Committee (“M”) has any...

Report to court of directors of the Bank

- 14 The Committee shall , at least 8 times in each...

Parliamentary disqualification

- 15 In Part III of Schedule 1 to the House of...

SCHEDULE 4 — Transfer of functions: supplementary provisions

Continuity of exercise of functions

- 1 (1) The transfer of functions by this Part shall not...

Transfer of staff

- 2 The transfer of functions by this Part shall be regarded...

Transfer of property, rights and liabilities

- 3 (1) The Bank shall make a scheme under this paragraph...
- 4 (1) The property, rights and liabilities capable of being transferred...
- 5 (1) A scheme under paragraph 3 may also contain provision—...
- 6 (1) A scheme under paragraph 3 may make such supplemental,...

SCHEDULE 5 — Transfer of functions: consequential amendments

Part I — BANKING SUPERVISION

Status: Point in time view as at 01/01/2024.

Changes to legislation: Bank of England Act 1998 is up to date with all changes known to be in force on or before 11 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

CHAPTER I

BANKING ACT 1987

- 1 Transfer of functions: consequential amendments
- 2 Transfer of functions: consequential amendments
- 3 Transfer of functions: consequential amendments
- 4 Transfer of functions: consequential amendments
- 5 Transfer of functions: consequential amendments
- 6 Transfer of functions: consequential amendments
- 7 Transfer of functions: consequential amendments
- 8 Transfer of functions: consequential amendments
- 9 Transfer of functions: consequential amendments
- 10 Transfer of functions: consequential amendments
- 11 Transfer of functions: consequential amendments
- 12 Transfer of functions: consequential amendments
- 13 Transfer of functions: consequential amendments
- 14 Transfer of functions: consequential amendments
- 15 Transfer of functions: consequential amendments
- 16 Transfer of functions: consequential amendments
- 17 Transfer of functions: consequential amendments
- 18 Transfer of functions: consequential amendments
- 19 Transfer of functions: consequential amendments
- 20 Transfer of functions: consequential amendments

CHAPTER II

BANKING COORDINATION (SECOND COUNCIL DIRECTIVE) REGULATIONS 1992

- 21 Transfer of functions: consequential amendments
- 22 Transfer of functions: consequential amendments
- 23 Transfer of functions: consequential amendments
- 24 Transfer of functions: consequential amendments
- 25 Transfer of functions: consequential amendments
- 26 Transfer of functions: consequential amendments
- 27 Transfer of functions: consequential amendments
- 28 Transfer of functions: consequential amendments
- 29 Transfer of functions: consequential amendments
- 30 Transfer of functions: consequential amendments
- 31 Transfer of functions: consequential amendments
- 32 Transfer of functions: consequential amendments
- 33 Transfer of functions: consequential amendments
- 34 Transfer of functions: consequential amendments
- 35 Transfer of functions: consequential amendments

CHAPTER III

OTHER ENACTMENTS

Consumer Credit Act 1974 (c. 39)

- 36 In the Consumer Credit Act 1974, in section 16(3)(f), for...

Status: Point in time view as at 01/01/2024.

Changes to legislation: Bank of England Act 1998 is up to date with all changes known to be in force on or before 11 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Insolvency Act 1986 (c. 45)

37 In the Insolvency Act 1986, in section 422(1), for “Bank...

Building Societies Act 1986 (c. 53)

38 (1) Section 101 of the Building Societies Act 1986 is...

Financial Services Act 1986 (c. 60)

39 Transfer of functions: consequential amendments

Insolvency (Northern Ireland) Order 1989 S.I. 1989/2405 (N.I. 19)

40 In the Insolvency (Northern Ireland) Order 1989, in Article 366,...

Courts and Legal Services Act 1990 (c. 41)

41 (1) The Courts and Legal Services Act 1990 is amended...

Charities Act 1993 (c. 10)

42 Transfer of functions: consequential amendments

Building Societies Act 1997 (c. 32)

43 (1) Section 32 of the Building Societies Act 1997 is...

Part II — SUPERVISION UNDER SECTION 43 OF THE FINANCIAL SERVICES ACT 1986

Financial Services Act 1986 (c. 60)

44 Transfer of functions: consequential amendments

Investment Services Regulations 1995 (S.I. 1995/3275)

45 Transfer of functions: consequential amendments

Part III — SUPERVISION UNDER SECTION 171 OF THE COMPANIES ACT 1989

Companies Act 1989 (c. 40)

46 The Companies Act 1989 is amended as follows.

47 Transfer of functions: consequential amendments

48 (1) Section 176 is amended as follows.

Companies (No. 2) (Northern Ireland) Order 1990 (S.I. 1990/1504 (N.I. 10))

49 (1) The Companies (No. 2) (Northern Ireland) Order 1990 is...

50 In article 93(3), for “and the Bank of England” there...

51 (1) Article 98 is amended as follows.

Part IV — GENERAL: DISCLOSURE OF INFORMATION

CHAPTER I

BANKING ACT 1987

52 Transfer of functions: consequential amendments

53 Transfer of functions: consequential amendments

Status: Point in time view as at 01/01/2024.

Changes to legislation: Bank of England Act 1998 is up to date with all changes known to be in force on or before 11 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- 54 Transfer of functions: consequential amendments
- 55 Transfer of functions: consequential amendments
- 56 Transfer of functions: consequential amendments
- 57 Transfer of functions: consequential amendments
- 58 Transfer of functions: consequential amendments
- 59 Transfer of functions: consequential amendments

CHAPTER II

OTHER ENACTMENTS

Consumer Credit Act 1974 (c. 39)

- 60 In section 174(3A) of the Consumer Credit Act 1974—

Insurance Companies Act 1982 (c. 50)

- 61 Transfer of functions: consequential amendments

Companies Act 1985 (c. 6)

- 62 Transfer of functions: consequential amendments

Companies (Northern Ireland) Order 1986 (S.I. 1986/1032 (N.I. 6))

- 63 Transfer of functions: consequential amendments

Building Societies Act 1986 (c. 53)

- 64 (1) The Building Societies Act 1986 is amended as follows....

Financial Services Act 1986 (c. 60)

- 65 Transfer of functions: consequential amendments

Companies Act 1989 (c. 40)

- 66 Transfer of functions: consequential amendments

Courts and Legal Services Act 1990 (c. 41)

- 67 Transfer of functions: consequential amendments

Friendly Societies Act 1992 (c. 40)

- 68 Transfer of functions: consequential amendments

Pension Schemes Act 1993 (c. 48)

- 69 (1) The Pension Schemes Act 1993 is amended as follows....

Pension Schemes (Northern Ireland) Act 1993 (c.49)

- 70 (1) The Pension Schemes (Northern Ireland) Act 1993 is amended...

Pensions Act 1995 (c. 26)

- 71 Transfer of functions: consequential amendments

Status: Point in time view as at 01/01/2024.

Changes to legislation: Bank of England Act 1998 is up to date with all changes known to be in force on or before 11 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Pensions (Northern Ireland) Order 1995 (S.I. 1995/3213 (N.I. 22))

72 In Article 105(1) of the Pensions (Northern Ireland) Order 1995,...

SCHEDULE 6 —

Powers

1 (1) Every application for authorisation under the Banking Act 1987...

Consultation

2 (1) Before making regulations under paragraph 1, the Authority shall
—...

Mode of exercise

3 Power to make regulations under paragraph 1 is exercisable by...

Publication

4 (1) Immediately after regulations under paragraph 1 are made they...

Proof of regulations

5 (1) The production of a printed copy of regulations purporting...

SCHEDULE 6A — Prudential Regulation Committee

Interpretation

1 In this Schedule— “ chief executive for prudential regulation ”...

Appointment of members by Chancellor

2 Before appointing a person as a member of the Committee...

Term of office of appointed members

3 (1) Appointment as a member of the Committee under section...

4 (1) A person may not be appointed as a member...

5 (1) If it appears to the Chancellor of the Exchequer...

6 (1) A person appointed under section 30A(2)(f) or (g) may...

Terms and conditions of appointment

7 (1) The terms on which a person is appointed as...

Qualification for appointment

8 (1) The following persons are disqualified for appointment under
section...

Removal of appointed members

9 (1) A person appointed under section 30A(2)(f) or (g) vacates...

Status: Point in time view as at 01/01/2024.

Changes to legislation: *Bank of England Act 1998 is up to date with all changes known to be in force on or before 11 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

Decision making

- 10 (1) Decisions of the Committee must be taken either—

Meetings

- 11 The Governor of the Bank or any Deputy Governor of...
12 (1) At a meeting of the Committee, the proceedings are...
13 The chief executive of the Financial Conduct Authority must not...
14 (1) If a member of the Committee (“M”) has any...
15 (1) The Committee may determine circumstances in which a member...

Decisions otherwise than at meetings

- 16 (1) The Committee may take a decision on a matter...

Delegation of functions

- 17 (1) The Committee may delegate such of its functions as...

Prudential regulation budget

- 18 (1) The Committee must, with the approval of the court...

Annual reports

- 19 At least once a year the Committee must make a...

SCHEDULE 7 — Restriction on disclosure of information

Restricted information

- 1 (1) Subject to sub-paragraph (2), information is restricted information for...

Disclosure for the purposes of the Bank’s functions

- 2 (1) Paragraph 1 does not preclude the disclosure of information...

Disclosure by the Bank to other authorities

- 3 (1) Paragraph 1 does not preclude the disclosure by the...

Onward disclosure

- 4 (1) Paragraph 1 does not preclude the disclosure by any...

Other permitted disclosures

- 5 Paragraph 1 does not preclude the disclosure of information—

SCHEDULE 8 — Transitional provisions and savings

Bank’s immunity from suit

- 1 Transitional provisions and savings

Status: Point in time view as at 01/01/2024.

Changes to legislation: Bank of England Act 1998 is up to date with all changes known to be in force on or before 11 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Disclosure of information

- 2 Transitional provisions and savings
- 3 Transitional provisions and savings
- 4 Transitional provisions and savings
- 5 Transitional provisions and savings

Pre-commencement consultation

- 6 If, before the day on which this Act comes into...

Membership of the Deposit Protection Board

- 7 Transitional provisions and savings

SCHEDULE 9 — Repeals and revocations

Part I — REPEALS

Part II

Status:

Point in time view as at 01/01/2024.

Changes to legislation:

Bank of England Act 1998 is up to date with all changes known to be in force on or before 11 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.