

Status: Point in time view as at 29/08/2023.

Changes to legislation: Financial Services Act 2012, SCHEDULE 2 is up to date with all changes known to be in force on or before 23 September 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)

SCHEDULES

SCHEDULE 2

Section 5

FURTHER AMENDMENTS RELATING TO BANK OF ENGLAND

Court of directors

- 1 (1) Schedule 1 to the Bank of England Act 1998 (which makes further provision about the court of directors) is amended as follows.
- (2) For paragraph 1 substitute—
- “1 (1) Appointment as Governor of the Bank shall be for a period of 8 years.
- (2) Appointment as Deputy Governor of the Bank shall be for a period of 5 years.
- (3) A person may not be appointed—
- (a) as Governor, more than once, or
- (b) as Deputy Governor, more than twice.
- (4) A person appointed as Governor or Deputy Governor of the Bank shall work exclusively for the Bank; and for this purpose work in an office that an enactment requires to be held by the Governor or a Deputy Governor is to be taken to be work for the Bank.”
- (3) In paragraph 2—
- (a) for “director” substitute “ non-executive director ”, and
- (b) for the words from “3 years” to the end substitute “ 4 years, or such shorter period as may be specified in the appointment ”.
- (4) Omit paragraph 3.
- (5) In paragraph 4, for “director” substitute “ non-executive director ”.
- (6) In paragraph 5—
- (a) in sub-paragraph (1), for “director” substitute “ non-executive director ”, and
- (b) for sub-paragraph (2) substitute—
- “(2) An officer or employee of the Bank, other than a person holding office under section 9B(1)(e), is disqualified for appointment as non-executive director of the Bank.”
- (7) For paragraph 6 substitute—
- “6 (1) The fact that a person has held office as Governor of the Bank does not disqualify that person from appointment as Deputy Governor or non-executive director of the Bank.
- (2) The fact that a person has held office as Deputy Governor or non-executive director of the Bank does not disqualify that person from re-appointment to

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that office or for appointment to the other office or as Governor of the Bank, but this is subject to paragraph 1(3)(b).”

(8) In paragraph 7(2), for “director” substitute “ non-executive director ”.

(9) In paragraph 8—

- (a) the existing provision becomes sub-paragraph (1),
- (b) in that provision, for “director” substitute “ non-executive director ”, and
- (c) after that provision insert—

“(2) In relation to the Deputy Governor for prudential regulation, the reference in sub-paragraph (1)(c) to inability or unfitness to discharge functions as member of the court of directors is to be read as including a reference to inability or unfitness to discharge functions as Chief Executive of the Prudential Regulation Authority.”

(10) In paragraph 11—

- (a) the existing provision becomes sub-paragraph (1),
- (b) in sub-paragraph (1)(b), for “servant” substitute “ employee ”,
- (c) in sub-paragraph (1)(c)(ii), for “servants” substitute “ employees ”, and
- (d) after sub-paragraph (1) insert—

“(2) The duties and powers that may be delegated under this paragraph do not include duties and powers that are by any enactment expressly imposed or conferred on the court of directors.”

(11) After paragraph 12 insert—

“Publication of record of meetings

12A(1) The Bank must publish a record of each meeting of the court—

- (a) before the end of the period of 6 weeks beginning with the day of the meeting, or
- (b) if no meeting of the court is subsequently held during that period, before the end of the period of 2 weeks beginning with the day of the next meeting.

(2) The record must specify any decisions taken at the meeting (including decisions to take no action) and must set out, in relation to each decision, a summary of the court's deliberations.

(3) Sub-paragraphs (1) and (2) do not require the publication of information whose publication within the time required by sub-paragraph (1) would in the opinion of the court be against the public interest.

(4) Publication under this section is to be in such manner as the Bank thinks fit.”

(12) In paragraph 13, after sub-paragraph (3), insert—

“(3A) But a member of the court who is the Governor or a Deputy Governor of the Bank may not be designated under paragraph (a) or (b) of sub-paragraph (3).”

^{F1}(13)

(14) In paragraph 15, for “director” substitute “ non-executive director ”.

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- (15) Nothing in sub-paragraphs (2) to (7) affects the term of any appointment made before the commencement of that provision.

Textual Amendments

- F1** Sch. 2 para. 1(13) repealed (6.7.2016) by Bank of England and Financial Services Act 2016 (c. 14), s. 41(3), Sch. 2 para. 68 (with Sch. 3); S.I. 2016/627, reg. 2(2)(j)

Commencement Information

- I1** Sch. 2 para. 1 in force at 19.2.2013 for specified purposes by S.I. 2013/113, art. 2(2), Sch. Pt. 4
I2 Sch. 2 para. 1 in force at 1.4.2013 in so far as not already in force by S.I. 2013/423, art. 3, Sch.

Monetary Policy Committee

- 2 (1) Schedule 3 to the Bank of England Act 1998 (Monetary Policy Committee) is amended as follows.
- (2) In paragraph 1, for the words from “except that” to the end substitute “ but this is subject to paragraph 2B ”.
- (3) Omit paragraph 2.
- (4) After paragraph 2A insert—
- “2B (1) If it appears to the Chancellor of the Exchequer that in the circumstances it is desirable to do so, the Chancellor may, before the end of the 3 years for which a person is appointed as a member of the Committee under section 13(2)(c), extend the persons's term of office on one occasion for a specified period of not more than 6 months.
- (2) The term being extended may be the person's first or second term.
- (3) If a person whose first term of office is extended is subsequently re-appointed under section 13(2)(c)—
- (a) the length of the second term is to be reduced by a period equal to the extension of the first term, but
- (b) the second term may itself subsequently be extended under sub-paragraph (1).”
- (5) In paragraph 3—
- (a) the existing provision becomes sub-paragraph (1), and
- (b) after that provision insert—
- “(2) Where the notice relates to a person appointed under section 13(2)(c), the Bank must give a copy of the notice to the Treasury.”
- (6) In paragraph 4—
- (a) omit sub-paragraph (1),
- (b) for sub-paragraph (2) substitute—
- “(2) The terms and conditions on which a person holds office as a member of the Committee appointed under section 13(2)(c) are to be such as the Oversight Committee may determine.”, and
- (c) omit sub-paragraph (3).

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^{F2}(7)

(8) In paragraph 9—

(a) in sub-paragraph (1)—

(i) for “Bank” substitute “Oversight Committee”, and

(ii) in paragraph (a), for “the Committee's meetings” and “the Committee's consent” substitute “meetings of the Monetary Policy Committee” and “that Committee's consent”, and

(b) omit sub-paragraph (2).

(9) In paragraphs 10(2) and 11(3), leave out “with executive responsibility”.

(10) After paragraph 13 insert—

“13A The Committee may invite other persons to attend, or to attend and speak at, any meeting of the Committee.”

(11) Sub-paragraph (3) does not affect the term of any appointment made before the commencement of that sub-paragraph, and sub-paragraph (6) does not affect the status of a person appointed before the commencement of that sub-paragraph during the remainder of the term for which the person had been appointed.

Textual Amendments

F2 Sch. 2 para. 2(7) repealed (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), s. 41(3), [Sch. 2 para. 68](#) (with [Sch. 3](#)); [S.I. 2016/627](#), reg. 2(2)(j)

Commencement Information

I3 Sch. 2 para. 2 in force at 19.2.2013 for specified purposes by [S.I. 2013/113](#), art. 2(2), [Sch. Pt. 4](#)

I4 Sch. 2 para. 2 in force at 1.4.2013 in so far as not already in force by [S.I. 2013/423](#), art. 3, [Sch.](#)

Immunity

3 (1) Section 244 of the Banking Act 2009 (immunity) is amended as follows.

(2) In subsection (2)—

(a) in paragraph (a), for “servant” substitute “employee”, and

(b) in paragraph (c), for “functions exercised” substitute “the exercise or purported exercise of the Bank's functions under the Financial Services and Markets Act 2000, of its other regulatory functions or of functions undertaken”.

(3) After subsection (2) insert—

“(2A) The Bank's functions under the Financial Services and Markets Act 2000 are to be taken to include any functions that it may exercise as a result of an appointment under any of sections 97, 166 to 169 and 284 of that Act.”

Commencement Information

I5 Sch. 2 para. 3 in force at 19.2.2013 for specified purposes by [S.I. 2013/113](#), art. 2(2), [Sch. Pt. 4](#)

I6 Sch. 2 para. 3 in force at 1.4.2013 in so far as not already in force by [S.I. 2013/423](#), art. 3, [Sch.](#)

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Changes in terminology

- 4 In section 4 of the Bank of England Act 1998 (Bank's annual report), in subsection (4)(a), for “directors” substitute “ non-executive directors ”.

Commencement Information

- I7** Sch. 2 para. 4 in force at 19.2.2013 for specified purposes by S.I. 2013/113, art. 2(2), Sch. Pt. 4
I8 Sch. 2 para. 4 in force at 1.4.2013 in so far as not already in force by S.I. 2013/423, art. 3, Sch.

- 5 In Schedule 7 to the Bank of England Act 1998 (restriction on disclosure of information), in paragraph 1(3)(a), for “servant” substitute “ employee ”.

Commencement Information

- I9** Sch. 2 para. 5 in force at 19.2.2013 for specified purposes by S.I. 2013/113, art. 2(2), Sch. Pt. 4
I10 Sch. 2 para. 5 in force at 1.4.2013 in so far as not already in force by S.I. 2013/423, art. 3, Sch.

- 6 In Part 3 of Schedule 1 to the House of Commons Disqualification Act 1975 (other disqualifying offices), in the entry relating to the Bank of England, for “Director” substitute “ non-executive director ”.

Commencement Information

- I11** Sch. 2 para. 6 in force at 19.2.2013 for specified purposes by S.I. 2013/113, art. 2(2), Sch. Pt. 4
I12 Sch. 2 para. 6 in force at 1.4.2013 in so far as not already in force by S.I. 2013/423, art. 3, Sch.

- 7 In Part 3 of Schedule 1 to the Northern Ireland Assembly Disqualification Act 1975 (other disqualifying offices), in the entry relating to the Bank of England, for “Director” substitute “ non-executive director ”.

Commencement Information

- I13** Sch. 2 para. 7 in force at 19.2.2013 for specified purposes by S.I. 2013/113, art. 2(2), Sch. Pt. 4
I14 Sch. 2 para. 7 in force at 1.4.2013 in so far as not already in force by S.I. 2013/423, art. 3, Sch.

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