
STATUTORY INSTRUMENTS

2015 No. 486

The Deposit Guarantee Scheme Regulations 2015

PART 2 U.K.

The compensation scheme

[^{F1}Transitional maximum compensation level U.K.]

7A.—(1) For the period from 3rd July 2015 to 31st December 2015, the maximum compensation payable in accordance with PRA compensation scheme rules in respect of eligible deposits held by a relevant person with a compensation scheme member is £85,000 (and no account shall be taken of any lower limit provided for in PRA compensation scheme rules), unless paragraph (2) applies.

(2) This paragraph applies if additional compensation is payable to a relevant person under PRA compensation scheme rules made to give effect to Article 6.2 of the deposit guarantee schemes directive.

(3) After 31st December 2015, the maximum compensation payable in respect of eligible deposits held by a relevant person with a compensation scheme member is the amount provided for by PRA compensation scheme rules.

(4) For the purposes of this regulation, a person is a “relevant person” if deposits held by that person—

- (a) were, or would have been, eligible for compensation under the compensation scheme before 3rd July 2015, and
- (b) are eligible for compensation under the compensation scheme on 3rd July 2015 and after that date.

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^{F2}(5) The amount referred to in paragraph (3) must be reviewed periodically by the PRA and at least once every five years.

(6) Having reviewed the amount referred to in paragraph (3), the PRA may adjust the amount, taking account of matters the PRA considers relevant, including in particular, developments in the banking sector and the economic and monetary situation in the United Kingdom.

(7) The first review carried out in accordance with paragraph (5) must be completed no later than five years after regulation 5 of the Deposit Guarantee Scheme and Miscellaneous Provisions (Amendment) (EU Exit) Regulations 2018 comes into force (in accordance with paragraph 1(1) of Schedule 5 to the European Union (Withdrawal Agreement) Act 2020).

(8) The PRA may adjust the amount referred to in paragraph (3) in accordance with inflation in the United Kingdom during the period since the most recent alteration of the amount referred to in paragraph (3).

(9) Any adjustment under paragraph (8) must be carried out on the basis of changes in the consumer prices index calculated and published by the Office for National Statistics or, where the index is not published for any year during the period, any substituted index or figures published by that Office.

(10) The PRA is not required to carry out a review under paragraph (5) in order to exercise its power under paragraph (8).

(11) The PRA must not adjust the amount referred to in paragraph (3) in accordance with paragraph (6) or (8) without the prior written approval of the Treasury.]]

Textual Amendments

- F1** Reg. 7A inserted (3.7.2015) by The Deposit Guarantee Scheme (Amendment) Regulations 2015 (S.I. 2015/1456), regs. 1, **2(4)**
- F2** Reg. 7A(5)-(11) inserted (31.12.2020) by The Deposit Guarantee Scheme and Miscellaneous Provisions (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1285), regs. 1(3), **5(5)** (as amended by S.I. 2020/1385, regs. 1(4), **46**); 2020 c. 1, **Sch. 5 para. 1(1)**

Changes to legislation:

There are currently no known outstanding effects for the The Deposit Guarantee Scheme Regulations 2015, Section 7A.