



# Bank of England Act 1998

## 1998 CHAPTER 11

### [<sup>F1</sup>PART 3A

#### PRUDENTIAL REGULATION

##### Textual Amendments

- F1** Pt. 3A inserted (1.3.2017) by [Bank of England and Financial Services Act 2016 \(c. 14\), ss. 13\(2\), 41\(3\)](#) (with [Sch. 3](#)); [S.I. 2017/43, reg. 2\(d\)](#)

### **30A Prudential Regulation Committee**

- (1) There is to be a committee of the Bank known as the Prudential Regulation Committee of the Bank of England.
- (2) The Prudential Regulation Committee is to consist of—
  - (a) the Governor of the Bank,
  - (b) the Deputy Governor for financial stability,
  - (c) the Deputy Governor for markets and banking,
  - (d) the Deputy Governor for prudential regulation,
  - (e) the Chief Executive of the Financial Conduct Authority,
  - (f) one member appointed by the Governor of the Bank with the approval of the Chancellor of the Exchequer, and
  - (g) at least 6 members appointed by the Chancellor of the Exchequer.
- (3) The functions of the Prudential Regulation Committee are—
  - (a) its functions by virtue of section 2A of the Financial Services and Markets Act 2000 (which provides for the Bank's functions as the Prudential Regulation Authority to be exercised by the Bank acting through the Prudential Regulation Committee), and
  - (b) the functions conferred on it by this Act.
- (4) Schedule 6A has effect with respect to the Prudential Regulation Committee.

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*Changes to legislation: Bank of England Act 1998, PART 3A is up to date with all changes known to be in force on or before 07 April 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) View outstanding changes*

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### 30B Recommendations by Treasury

- (1) The Treasury may at any time by notice in writing to the Prudential Regulation Committee make recommendations to the Committee about aspects of the economic policy of Her Majesty's Government to which the Committee should have regard—
- (a) when considering how to advance the objectives of the Prudential Regulation Authority, and
  - (b) when considering the application of the regulatory principles set out in section 3B of the Financial Services and Markets Act 2000.
- (2) The Treasury must make recommendations under subsection (1) at least once in each Parliament.
- [ The Prudential Regulation Committee must respond to each recommendation made to
- <sup>F2</sup>(2A) it under subsection (1) by notifying the Treasury in writing of—
- (a) action that the Prudential Regulation Committee has taken or intends to take in accordance with the recommendation, or
  - (b) the reasons why the Prudential Regulation Committee has not acted or does not intend to act in accordance with the recommendation.
- (2B) The notice under subsection (2A) must be given before the end of 12 months beginning with the date the notice containing the recommendation was given under subsection (1).
- (2C) Where the Prudential Regulation Committee has given notice under subsection (2A) in relation to a recommendation, it must by notice in writing update the Treasury on the matters mentioned in subsection (2A)(a) and (b) before the end of each subsequent period of 12 months.
- (2D) Subsection (2C) does not apply if the Treasury have notified the Prudential Regulation Committee in writing that no update (or further update) is required.
- (2E) The Prudential Regulation Committee is not required under subsection (2A) or (2C) to provide any information whose publication would in the opinion of the Committee be against the public interest.]
- (3) The Treasury must—
- (a) publish in such manner as they think fit any notice given under [<sup>F3</sup>subsection (1), (2A) or (2C)], and
  - (b) lay a copy of it before Parliament.

#### Textual Amendments

- F2** S. 30B(2A)-(2E) inserted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\)](#), **ss. 35(5)**, 86(3); S.I. 2023/779, reg. 4(y)
- F3** Words in s. 30B(3) substituted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\)](#), **ss. 35(6)**, 86(3); S.I. 2023/779, reg. 4(y)

### 30C Operational independence

- [<sup>F4</sup>(1) The Bank must make arrangements to ensure that the discharge of its resolution functions (as defined by section 7D(10)) is operationally independent of the discharge of its functions as the PRA.]

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- (2) The Bank must prepare and issue a statement of its arrangements under subsection (1).
- (3) If there are material changes to the arrangements, it must prepare and issue a revised statement.
- (4) The Bank must consult the Treasury before issuing a statement under subsection (2) or a revised statement under subsection (3).

<sup>F5</sup>(5) .....

<sup>F5</sup>(6) .....

<sup>F5</sup>(7) .....]

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**Textual Amendments**

**F4** S. 30C(1) substituted (31.12.2020) by [The Bank of England \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1297\)](#), regs. 1(2), **5(a)**; 2020 c. 1, Sch. 5 para. 1(1)

**F5** S. 30C(5)-(7) omitted (31.12.2020) by virtue of [The Bank of England \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1297\)](#), regs. 1(2), **5(b)**; 2020 c. 1, Sch. 5 para. 1(1)

**Changes to legislation:**

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**Changes and effects yet to be applied to :**

- Pt. 3A inserted by [2016 c. 14 s. 13\(2\)](#)

**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 9Y(4)(a) word omitted by [2016 c. 14 Sch. 2 para. 13\(4\)\(a\)](#)
- s. 9Y(4)(b) omitted by [2016 c. 14 Sch. 2 para. 13\(4\)\(b\)](#)
- s. 41(4) repealed by [2007 c. 29 Sch. 23](#)