



Financial Services Act 2012

2012 CHAPTER 21

PART 4

COLLABORATION BETWEEN TREASURY AND BANK OF ENGLAND, FCA OR PRA

[^{F1}57B Duty of Bank to inform Treasury about resolution plans

- (1) This section applies in relation to—
 - (a) a resolution plan which includes one or more options for the exercise of a stabilisation power by the Bank of England in relation to an institution (“the institution”), and
 - (b) a group resolution plan which includes one or more options for the exercise of a stabilisation power by the Bank of England in relation to a group entity (“the entity”).
- (2) Unless otherwise directed under subsection (5), before adopting the plan the Bank must provide the Treasury with—
 - (a) a copy of the plan,
 - [^{F2}(b) the Bank's assessment of the risk that the failing of the institution or entity would pose to the stability of the financial system in the United Kingdom,]
 - (c) the Bank's assessment of the implications for public funds—
 - (i) of the exercise by the Bank of a stabilisation power in relation to the institution or the entity in accordance with the option (or each of the options) for the exercise of such a power included in the plan, and
 - (ii) if the plan includes one or more options for the use of an insolvency or administration procedure in relation to the institution or the entity, of the use of such a procedure in accordance with that option (or each of those options), and
 - (d) any analysis considered by the Bank (whether or not prepared by the Bank) to be material in making the assessments mentioned in paragraph (c).
- (3) Unless otherwise directed under subsection (5), the Bank must provide the Treasury with details of—

Changes to legislation: Financial Services Act 2012, Section 57B is up to date with all changes known to be in force on or before 26 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

- (a) any material changes to the plan, before those changes are adopted,
 - (b) any material changes to the Bank's assessments of the matters mentioned in subsection (2)(b) or (c), and
 - (c) any further analysis considered by the Bank (whether or not prepared by the Bank) to be material to revising the assessments mentioned in subsection (2)(c).
- (4) Where reasonably practicable the Bank must comply with subsections (2) and (3) before the Bank exercises any of its powers under section 3A of the Banking Act 2009 in relation to the institution or the entity.
- (5) The Treasury may by notice in writing—
- (a) direct the Bank not to provide it under this section with information in relation to institutions or entities specified, or of a description specified, in the notice;
 - (b) revoke a direction given under paragraph (a).
- (6) Where a direction given under subsection (5)(a) is revoked—
- (a) the Bank must provide the Treasury with the matters listed in subsection (2)(a) to (d) in relation to the institutions or entities to which the direction related as soon as reasonably practicable after the date of the revocation, and
 - (b) subsection (3) applies in relation to those institutions or entities, but this is subject to any further direction under subsection (5)(a).
- (7) For the purposes of this section—
- “failing” has the same meaning as in section 57A,
 - “insolvency or administration procedure” means—
- (a) bank insolvency,
 - (b) building society insolvency,
 - (c) investment bank insolvency,
 - (d) bank administration, or
 - (e) building society special administration,
- (and those terms have the same meaning as in section 57A);
- “public funds” has the same meaning as in section 57A,
^{F3}
 ...
- and action has implications for public funds if it would or might involve or lead to a need for the application of public funds.]

Textual Amendments

- F1** S. 57A - S. 57B inserted (6.7.2016) by Bank of England and Financial Services Act 2016 (c. 14), ss. **36(2)**, 41(3); S.I. 2016/627, reg. 2(1)(aa)
- F2** S. 57B(2)(b) substituted (31.12.2020) by The Bank of England (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1297), regs. 1(2), **8(2)(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F3** Words in s. 57B(7) omitted (31.12.2020) by virtue of The Bank of England (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1297), regs. 1(2), **8(2)(b)**; 2020 c. 1, Sch. 5 para. 1(1)

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

- Act power to apply conferred (temp.) by [2014 c. 21 s. 79\(4\)](#)
- Act power to apply conferred (temp.) by [2014 c. 21 s. 81\(10\)](#)