
STATUTORY INSTRUMENTS

2016 No. 1240

The Bank of England Act 1998 (Macro-prudential Measures) Order 2016

Disapplication of procedural requirements

- 4.—(1) Paragraph (2) applies if—
- (a) the Financial Policy Committee has given a direction to the PRA or the FCA under section 9H of the 1998 Act which specifies a maximum loan-to-value percentage or a minimum interest coverage ratio (“the first direction”);
 - (b) the Financial Policy Committee revokes the first direction; and
 - (c) within a reasonable period of time after the revocation of the first direction, the Financial Policy Committee gives another direction to the PRA or the FCA under section 9H of the 1998 Act (“the subsequent direction”) which is in substance identical to the first direction except in relation to the values specified in the direction.
- (2) To the extent that the subsequent direction is implemented by way of rules pursuant to Part 9A of the Financial Services and Markets Act 2000 then—
- (a) sections 138I (Consultation by the FCA), 138K (Consultation: mutual societies), and 139A(3) (Power of the FCA to give guidance) of the Financial Services and Markets Act 2000⁽¹⁾ do not apply to the FCA, but the FCA must undertake and publish, at the same time as the subsequent direction is implemented, a FSMA cost-benefit analysis relating to changes implemented pursuant to the subsequent direction; and
 - (b) sections 138J (Consultation by the PRA) and 138K (Consultation: mutual societies) of the Financial Services and Markets Act 2000⁽²⁾ do not apply to the PRA, but the PRA must undertake and publish, at the same time as the subsequent direction is implemented, a FSMA cost-benefit analysis relating to changes implemented pursuant to the subsequent direction.

⁽¹⁾ Sections 138I, 138K and 139A were all inserted by section 24 (Rules and Guidance) of the Financial Services Act 2012 (c.21).

⁽²⁾ Sections 138J and 138K of the Financial Services and Markets Act 2000 were inserted by section 24 of the Financial Services Act 2012.