
STATUTORY INSTRUMENTS

2023 No. 1273

FINANCIAL SERVICES

**The Financial Services and Markets Act 2023 (Panel
Remuneration and Reports) Regulations 2023**

Made - - - - 27th November 2023
Laid before Parliament 28th November 2023
Coming into force - - 26th December 2023

The Treasury make the following Regulations in exercise of the powers conferred by sections 1MA(2) and (3), 2LA(2) and (3) and 428(3) of the Financial Services and Markets Act 2000⁽¹⁾, sections 103(5B) and (5C) and 142(3) of the Financial Services (Banking Reform) Act 2013⁽²⁾ and sections 47(1) and 84(2) of the Financial Services and Markets Act 2023⁽³⁾.

Citation, commencement, extent and interpretation

1.—(1) These Regulations may be cited as the Financial Services and Markets Act 2023 (Panel Remuneration and Reports) Regulations 2023.

(2) These Regulations come into force on 26th December 2023.

(3) These Regulations extend to England and Wales, Scotland and Northern Ireland.

(4) In these Regulations—

“the 2000 Act” means the Financial Services and Markets Act 2000;

“the 2013 Act” means the Financial Services (Banking Reform) Act 2013;

“the 2023 Act” means the Financial Services and Markets Act 2023.

Panel member remuneration

2.—(1) Section 1MA(1) of the 2000 Act (composition of Panels) does not apply in relation to—

(a) a member of the panel established under section 1O of the 2000 Act (the Smaller Business Practitioner Panel)⁽⁴⁾ who—

(1) 2000 c. 8. Sections 1MA and 2LA were inserted by section 46 of the Financial Services and Markets Act 2023 (c. 29). Section 428 was amended by sections 66(1) and (3) of the Financial Services and Markets Act 2023.

(2) 2013 c. 33. Subsections (5A), (5B) and (5C) of section 103 were inserted by section 46 of the Financial Services and Markets Act 2023.

(3) 2023 c. 29.

(4) Section 1O was substituted by section 6(1) of the Financial Services Act 2012 (c. 21).

- (i) only receives remuneration from the FCA for their work on the panel established under section 1O of the 2000 Act, or
 - (ii) in addition to the remuneration described in paragraph (i), receives remuneration from the Payment Systems Regulator for their work on the panel established under section 103(3) of the 2013 Act (regulator’s general duty to consult),
- (b) a member of the panel established under section 1Q of the 2000 Act (the Consumer Panel)(5) who—
- (i) only receives remuneration from the FCA for their work on the panel established under section 1Q of the 2000 Act, or
 - (ii) in addition to the remuneration described in paragraph (i), receives remuneration from the Payment Systems Regulator for their work on the panel established under section 103(3) of the 2013 Act,
- (c) a member of the panel established under section 138IA of the 2000 Act (FCA Cost Benefit Analysis Panel)(6) who is not appointed under section 138IA(8) and—
- (i) only receives remuneration from the FCA for their work on the panel established under section 138IA of the 2000 Act, or
 - (ii) in addition to the remuneration described in paragraph (i), receives remuneration from the Payment Systems Regulator for their work on the panel established under section 103(3) of the 2013 Act.
- (2) Section 2LA(1) of the 2000 Act (composition of Panels) does not apply in relation to a member of the panel established under section 138JA of the 2000 Act (PRA Cost Benefit Analysis Panel)(7) who is not appointed under section 138JA(8) and—
- (a) only receives remuneration from the PRA for their work on the panel established under section 138JA of the 2000 Act, or
 - (b) in addition to the remuneration described in paragraph (a), receives remuneration from the Payment Systems Regulator for their work on the panel established under section 103(3) of the 2013 Act.
- (3) Section 103(5A) of the 2013 Act does not apply in relation to a member of the panel established under section 103(3) of the 2013 Act who—
- (a) only receives remuneration from the Payment Systems Regulator for their work on the panel established under section 103(3) of the 2013 Act,
 - (b) in addition to the remuneration described in paragraph (a), receives remuneration from the FCA or the PRA for their work on a panel established under sections 1O, 1Q, 138IA or 138JA of the 2000 Act, or
 - (c) who is remunerated by the FCA or the PRA, and—
 - (i) is not an employee of the FCA or the PRA for the purposes of section 230 of the Employment Rights Act 1996 (definition of employees, workers etc.)(8),
 - (ii) only receives remuneration from the Payment Systems Regulator for their work on the panel established under section 103(3) of the 2013 Act, and
 - (iii) does not receive remuneration from the FCA or the PRA for their work on a panel established under sections 1O, 1Q, 138IA or 138JA of the 2000 Act.

(5) Section 1Q was substituted by section 6(1) of the Financial Services Act 2012.

(6) Section 138IA was inserted by section 43 of the Financial Services and Markets Act 2023.

(7) Section 138JA was inserted by section 43 of the Financial Services and Markets Act 2023.

(8) 1996 c. 18. Section 230 was amended by section 15(1) of the Public Interest Disclosure Act 1998 (c. 23), section 126(1) and paragraphs 29 and 41 of schedule 7 of the Children and Families Act 2014 (c. 6), section 149(1) and (3) of the Small Business, Enterprise and Employment Act 2015 (c. 26) and section 32(1) and (5) of the Children and Social Work Act 2017 (c. 16).

Panel annual reports

3.—(1) The following statutory panels of the regulator must produce an annual report on their work and provide that report to Treasury in accordance with section 47(1) of the 2023 Act (panel reports)—

- (a) the panel established under section 1Q of the 2000 Act (the Consumer Panel);
- (b) the panel established under section 138IA of the 2000 Act (FCA Cost Benefit Analysis Panel);
- (c) the panel established under section 138JA of the 2000 Act (PRA Cost Benefit Analysis panel).

(2) The first of the annual reports referred to in paragraph (1) must be made within one year of the date upon which these Regulations come into force.

27th November 2023

Stuart Anderson
Scott Mann
Two of the Lords Commissioners of His
Majesty's Treasury

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations permit the FCA, the PRA and the Payment Systems Regulator to remunerate members of certain of their statutory panels and require specified statutory panels of the FCA and the PRA to make annual reports to the Treasury.

A person who receives remuneration from the FCA, the PRA, the Payment Systems Regulator, the Bank of England or the Treasury is disqualified under sections 1MA(1) and 2LA(1) of the Financial Services and Markets Act 2000 (c. 8) and section 103(5A) of the Financial Services (Banking Reform) Act 2013 (c. 33) as inserted by section 46 of the Financial Services and Markets Act 2023 (c. 29) from being appointed as a member of any of the FCA's or PRA's statutory panels or the Payment Systems Regulator panel. Regulation 2 makes limited exceptions to these disqualifications for members of certain statutory panels established by the FCA, the PRA and the Payment Systems Regulator who receive remuneration for their panel work. The relevant panels are the FCA Smaller Business Practitioner Panel, the FCA Consumer Panel, the FCA and PRA Cost Benefit Analysis Panels and the Payment Systems Regulator panel.

Regulation 3(1) requires the FCA Consumer Panel, the FCA Cost Benefit Analysis Panel and the PRA Cost Benefit Analysis Panel to make annual reports on their work to the Treasury. Regulation 3(2) provides that the first of these reports must be made within one year of these Regulations coming into force.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sector is foreseen.