

SCHEDULES

SCHEDULE 21

TRANSFER SCHEMES

PART 1

PROPERTY, RIGHTS AND LIABILITIES OF FINANCIAL SERVICES AUTHORITY

Interpretation

- 1 In this Part of this Schedule—
“the Bank” means the Bank of England;
“the FSA” means the Financial Services Authority.

Transfer schemes

- 2 (1) The FSA must make one or more schemes under this paragraph for the transfer of property, rights and liabilities of the FSA—
(a) to the PRA or the Bank,
(b) to the PRA and the Bank, to be held jointly, or
(c) to the FSA and either the PRA or the Bank or both, to be held jointly.
- (2) A scheme under this paragraph made by the FSA is not to be capable of coming into force unless it is approved by the Treasury.
- (3) The FSA may not submit a scheme under this paragraph to the Treasury for their approval without the consent of the Bank.
- (4) Sub-paragraph (5) applies if—
(a) the FSA fails, before such time as may be notified to it by the Treasury as the latest time for submission of a scheme under this paragraph in connection with the transfer by or under this Act of specified functions of the FSA to the PRA, to the Bank, or to the FSA and the PRA, to submit such a scheme to the Treasury for their approval, or
(b) the Treasury decide not to approve a scheme that has been submitted to them by the FSA (either with or without modifications).
- (5) Where this sub-paragraph applies, the Treasury may, after consultation with the FSA and the Bank, make a scheme under this paragraph for the transfer of such of the FSA's property, rights and liabilities as appear to them appropriate to be transferred as mentioned in sub-paragraph (1) in consequence of the transfer of functions by or under this Act.

Status: This is the original version (as it was originally enacted).

- (6) The property, rights and liabilities which are the subject of a scheme under this paragraph are transferred in accordance with the provisions of the scheme on such day as the scheme may specify.
- (7) The FSA must provide the Treasury with all such information and other assistance as they may reasonably require for the purposes of, or otherwise in connection with, the exercise of any power conferred on the Treasury by this paragraph.
- (8) In the following provisions of this Part of this Schedule a scheme under this paragraph is referred to as a “transfer scheme”.
- 3 The property, rights and liabilities that may be the subject of a transfer scheme include—
- (a) any that would otherwise be incapable of being transferred or assigned, and
 - (b) rights and liabilities under a contract of employment.
- 4 A transfer scheme may—
- (a) apportion, or provide for the apportionment of, property, rights and liabilities,
 - (b) define the property, rights and liabilities to be transferred by specifying them or by describing them (including describing them by reference to functions that are transferred by or under this Act);
 - (c) contain provision for the payment of compensation by the PRA or the Bank to the FSA;
 - (d) contain provision for the payment of compensation by the FSA, the PRA or the Bank to any person whose interests are adversely affected by the scheme;
 - (e) contain supplemental, incidental, transitional and consequential provision.
- 5 A transfer scheme which relates to rights and liabilities under a contract of employment—
- (a) must provide for the transfer to which the scheme relates to be treated as if it were a relevant transfer for the purposes of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (“TUPE”), but
 - (b) may, in connection with functions becoming exercisable (alone or jointly) by the PRA—
 - (i) provide for the transfer of rights and liabilities under a contract of employment to the Bank, and
 - (ii) provide for TUPE to have effect as if the relevant transfer were a transfer to the Bank.