

Changes to legislation: Bank of England Act 1998, SCHEDULE 2A is up to date with all changes known to be in force on or before 13 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

SCHEDULES

[^{F1}SCHEDULE 2A

Section 9B

FINANCIAL POLICY COMMITTEE

Textual Amendments

- F1** Sch. 2A inserted (19.2.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#) , s. 122(3) , **Sch. 1 Pt. 1** (with [Sch. 20](#)); S.I. 2013/113 , art. 2(2) , [Sch. Pt. 4](#) ; S.I. 2013/423 , art. 3 , [Sch.](#)

Terms of office of appointed members

- 1 (1) Appointment under section 9B(1)(d) or (e) as a member of the Financial Policy Committee is to be for a period of 3 years, but this is subject to sub-paragraph (2) and to paragraph 3.
 - (2) Initially some appointments may be for shorter and different periods so as to secure that appointments expire at different times.
- 2 (1) A person may not be appointed as a member of the Committee under section 9B(1)(e) more than twice.
 - (2) For this purpose an appointment which by virtue of paragraph 1(2) is for a period of less than 3 years is to be disregarded.
- 3 (1) If it appears to the Chancellor of the Exchequer that in the circumstances it is desirable to do so, the Chancellor may, before the end of the term for which a person is appointed as a member of the Committee under section 9B(1)(e), extend the person's term of office on one occasion for a specified period of not more than 6 months.
 - (2) The term being extended may be the person's first or second term or, in a case where paragraph 2(2) allows a third term, the person's third term.
 - (3) If a person whose first term of office is extended is subsequently re-appointed under section 9B(1)(e)—
 - (a) the length of the second term is to be reduced by a period equal to the extension of the first term, but
 - (b) the second term may itself subsequently be extended under sub-paragraph (1).
 - (4) In a case where a person's second term of office is extended and paragraph 2(2) allows a third term, sub-paragraph (3) is to be read as if the references to first and second terms were references to second and third terms respectively.
- 4 (1) A person appointed under section 9B(1)(d) or (e) may resign the office by written notice to the Bank.

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- (2) Where the notice relates to a person appointed under section 9B(1)(e), the Bank must give a copy of the notice to the Treasury.
- 5 The terms and conditions on which a person holds office as a member of the Committee appointed under section 9B(1)(e) are to be such as the [^{F2}court of directors of the Bank] may determine.

Textual Amendments

F2 Words in Sch. 2A para. 5 substituted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), s. 41(3), [Sch. 2 para. 20\(2\)](#) (with [Sch. 3](#)); S.I. 2016/627, reg. 2(2)(g)

Modifications etc. (not altering text)

C1 Sch. 2A para. 5 modified (temp.) (20.2.2013) by [The Financial Services Act 2012 \(Transitional Provisions\) \(Rules and Miscellaneous Provisions\) Order 2013 \(S.I. 2013/161\)](#), arts. 1(1), [12\(2\)](#)

Qualification for appointment

- 6 (1) The following persons are disqualified for appointment under section 9B(1)(d) or (e)—
- (a) a Minister of the Crown;
 - (b) a person serving in a government department in employment in respect of which remuneration is paid out of money provided by Parliament.
- [^{F3}(2) The following persons are disqualified for appointment under section 9B(1)(e)—
- (a) a member of the Monetary Policy Committee of the Bank appointed under section 13(2)(c);
 - (b) a member of the Prudential Regulation Committee of the Bank appointed under section 30A(2)(g).]

Textual Amendments

F3 [Sch. 2A para. 6\(2\)](#) substituted (1.3.2017) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), s. 41(3), [Sch. 2 para. 20\(3\)](#) (with [Sch. 3](#)); S.I. 2017/43, reg. 2(g)

Removal of appointed members

- 7 A person appointed under section 9B(1)(d) or (e) vacates office on becoming a person to whom paragraph 6(1)(a) or (b) applies.
- 8 A person appointed under section 9B(1)(d) vacates office on ceasing to have executive responsibility within the Bank for the analysis of threats to financial stability.
- 9 (1) The [^{F4} court of directors of the Bank] may, with the consent of the Chancellor of the Exchequer, remove a member appointed under section 9B(1)(d) or (e) (“M”) if it is satisfied—
- (a) that M has been absent from 3 or more meetings of the Financial Policy Committee without the Committee's consent,
 - (b) that M has become bankrupt, that a debt relief order (under Part 7A of the Insolvency Act 1986) has been made in respect of M, that M's estate has

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been sequestrated or that M has made an arrangement with or granted a trust deed for M's creditors, or

(c) that M is unable or unfit to discharge M's functions as a member.

(2) The [^{F5}court of directors] may, with the consent of the Chancellor of the Exchequer, also remove a member appointed under section 9B(1)(e) (“M”) if it is satisfied that in all the circumstances M's financial or other interests are such as substantially to affect the functions as member which it would be proper for M to discharge.

Textual Amendments

F4 Words in Sch. 2A para. 9(1) substituted (6.7.2016) by [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), [Sch. 2 para. 20\(4\)\(a\)](#) (with [Sch. 3](#)); S.I. 2016/627, reg. 2(2)(g)

F5 Words in Sch. 2A para. 9(2) substituted (6.7.2016) by [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), [Sch. 2 para. 20\(4\)\(b\)](#) (with [Sch. 3](#)); S.I. 2016/627, reg. 2(2)(g)

Modifications etc. (not altering text)

C2 Sch. 2A para. 9 modified (temp.) (20.2.2013) by [The Financial Services Act 2012 \(Transitional Provisions\) \(Rules and Miscellaneous Provisions\) Order 2013](#) (S.I. 2013/161), arts. 1(1), **12(2)**

Meetings

10 (1) The Committee shall meet at least 4 times in each calendar year.

(2) The Governor of the Bank (or in the Governor's absence the Bank's Deputy Governor for financial stability) may summon a meeting at any time on giving such notice as the person giving the notice thinks the circumstances require.

Modifications etc. (not altering text)

C3 Sch. 2A para. 10(1) modified (1.9.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) \(No. 3\) Order 2013](#) (S.I. 2013/1765), arts. 1, 2

Proceedings

11 (1) At a meeting of the Committee, the proceedings are to be regulated as follows.

(2) The quorum is to be 6 (excluding the Treasury's representative) and of the 6—

- (a) one must be the Governor of the Bank or the Bank's Deputy Governor for financial stability,
- (b) unless both those mentioned in paragraph (a) are present, one must be [^{F6}one] of the other Deputy Governors of the Bank, and
- (c) one must be a member appointed under section 9B(1)(e).

(3) The chair is to be taken by the Governor of the Bank or, if the Governor is not present, by the Bank's Deputy Governor for financial stability.

(4) The person chairing the meeting must seek to secure that decisions of the Committee are reached by consensus wherever possible.

(5) Where that person forms the opinion that consensus cannot be reached, a decision is to be taken by a vote of all those members present at the meeting.

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- (6) In the event of a tie, the person chairing the meeting is to have a second casting vote.
- (7) At a meeting of the Committee—
 - (a) the Treasury's representative may not vote, and
 - (b) any view expressed by the Treasury's representative is to be disregarded in determining under sub-paragraph (4) or (5) whether there is a consensus.

^{F7}(8)

Textual Amendments

- F6** Word in Sch. 2A para. 11(2)(b) substituted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\), s. 41\(3\), Sch. 2 para. 20\(5\)\(a\)](#) (with Sch. 3); S.I. 2016/627, reg. 2(2)(g)
- F7** Sch. 2A para. 11(8) omitted (6.7.2016) by virtue of [Bank of England and Financial Services Act 2016 \(c. 14\), s. 41\(3\), Sch. 2 para. 20\(5\)\(b\)](#) (with Sch. 3); S.I. 2016/627, reg. 2(2)(g)

- 12 The Committee may, in relation to sub-paragraph (2), (3), (4) or (5) of paragraph 11, determine circumstances in which a member who is not present at, but is in communication with, a meeting is to be treated for the purposes of that sub-paragraph as present at it.
- 13 The Committee may invite other persons to attend, or to attend and speak at, any meeting of the Committee.
- 14 [If a member of the Committee (“M”) has any direct or indirect interest (including ^{F8}(1) any reasonably likely future interest) in any dealing or business which falls to be considered by the Committee—
 - (a) M must disclose that interest to the Committee when it considers the dealing or business, and
 - (b) the Committee must decide whether M is to be permitted to participate in any proceedings of the Committee relating to any question arising from its consideration of the dealing or business, and if so to what extent and subject to what conditions (if any).]

[The Bank must issue and maintain a code of practice describing how members of the ^{F9}(2) Committee and the Committee are to comply with sub-paragraph (1).

 - (3) The Bank may at any time revise or replace the code.
 - (4) Before issuing, revising or replacing the code, the Bank must consult the Treasury.
 - (5) The Bank must publish the current version of the code in whatever manner it sees fit.
 - (6) The Committee must comply with the code when taking decisions under sub-paragraph (1)(b).]]

Textual Amendments

- F8** Sch. 2A para. 14(1): Sch. 2A para. 14 renumbered as Sch. 2A para. 14(1) (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\), s. 41\(3\), Sch. 2 para. 20\(6\)\(a\)](#) (with Sch. 3); S.I. 2016/627, reg. 2(2)(g)
- F9** Sch. 2A para. 14(2)-(6) inserted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\), s. 41\(3\), Sch. 2 para. 20\(6\)\(b\)](#) (with Sch. 3); S.I. 2016/627, reg. 2(2)(g)

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^{F10}Decisions otherwise than at meetings

Textual Amendments

F10 Sch. 2A para. 15 16 and cross-headings inserted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), s. 41(3), [Sch. 2 para. 20\(7\)](#) (with [Sch. 3](#)); S.I. 2016/627, reg. 2(2)(g)

- 15 (1) The Committee may take a decision on a matter without a meeting if—
- (a) a majority of eligible members indicate in writing their agreement to the decision,
 - (b) the eligible members who indicate in writing their agreement to the decision would have constituted a quorum at a meeting of the Committee, and
 - (c) any other requirements determined by the Committee are met.
- (2) “Eligible members” are members of the Committee who would have been entitled to vote on the matter if the matter had been proposed for decision at a meeting of the Committee.

Power to determine own procedure

- 16 Subject to paragraphs 11, 14 and 15, the Committee is to determine its own procedure.]

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Changes and effects yet to be applied to :

- Sch. 2A para. 6(2) substituted by [2016 c. 14 Sch. 2 para. 20\(3\)](#)

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](#)