



## **PRA Practitioner Panel Terms of Reference**

### **Introduction and Membership**

1. The PRA Practitioner Panel (the Panel) is established by the Prudential Regulation Authority (PRA) under sections 2L and 2M of the Financial Services and Markets Act 2000 (the Act) to represent the interests of practitioners. The Panel is independent of the PRA.
2. The Prudential Regulation Committee (PRC) appoints such Panel members representing PRA-authorized persons as it considers appropriate. Relevant trade associations will be consulted and invited to provide nominations.
3. Panel members will nominate a Chair and Deputy Chair from their number. The PRC appoints the Chair and Deputy Chair.
4. HM Treasury's approval is required for the appointment and dismissal of the Chair.
5. The PRA provides secretariat support to the Panel.

### **Duration of appointments**

6. Without prejudice to paragraph 7, members will serve a term of 3 years (a term), which is renewable for one additional term at the discretion of the members' respective trade association and the PRC.
7. A member may be appointed as Chair during their first or second term. If a member is appointed as Chair, that member's term will reset and they will start a new term as Chair; at the end of which that member will either cease to be a member or, if appointed as Chair during their first term, may serve an additional term as a member or Chair at the discretion of the member's respective trade association and the PRC.

### **Nomination by the Panel of the Chair and Deputy Chair**

8. The following procedure will be used for the Panel to nominate the Chair and Deputy Chair:
  - a. The Panel Secretariat will facilitate the nomination process.
  - b. The Panel Secretariat will invite members to apply for the role of Chair and/or Deputy Chair and to outline their eligibility for the role.
  - c. The Panel Secretariat will facilitate a discussion to allow all members to question those who have applied for the roles.
  - d. Once all members have been given the opportunity to contribute to the discussion, the Panel Secretariat will call on members to vote in a secret ballot to nominate the Chair and/or Deputy Chair.
  - e. The Panel Secretariat will count the votes and inform members of the result.
  - f. In the event of a tie, there will be a run off between the two highest polling candidates for each role, again to be decided by secret ballot, and the votes will be counted by the Panel Secretariat who will declare the result.
  - g. In the event of a subsequent tie, the two remaining candidates for each role will draw lots.



## Role and Purpose

9. Having been established under sections 2L and 2M of the Act, the Panel will be consulted as part of the PRA's arrangements for effective consultation with PRA authorised persons on the extent to which the PRA's general policies and practices are consistent with the PRA's general duties under sections 2B to 2H of the Act. The PRA will consider representations that are made to it in accordance with section 2N of the Act.
10. The Panel does not carry out responsibilities on behalf of the PRA, and does not seek to duplicate the work of trade associations.
11. The Panel will review the impact of the PRA's policies insofar as they affect regulated firms, individuals and markets, responding and providing feedback to the PRA at an appropriate stage of the policy development process, as detailed below:
  - h. The PRA will ensure effective consultation with the Panel as part of the public consultation process and will consider any representations made to it by the Panel.
  - i. The PRA will provide for additional engagement with the Panel, as need be, during the public consultation period.
  - j. The PRA may also consult the Panel prior to public consultation on significant and cross-sectoral policy issues, where views from across the industry, as represented by the Panel, are likely to be beneficial in the policy development process. Such pre-consultation is likely to occur only for policy issues where the Panel's breadth of expertise would provide significant added value, and would not be a routine step in issuing PRA Consultation Papers.
  - k. The PRA will keep the Panel informed of the upcoming consultation schedule.
  - l. The Panel may request pre-consultation on policy issues prior to public consultation. Such pre-consultation may take place at the PRA's discretion.
12. The Panel will review and report to the PRA on the extent to which its policies and practices are consistent with its general duties under section 2B to 2H of the Act.
13. The Panel will be active in bringing to the attention of the PRA issues which members feel are likely to be of major significance for the PRA and its objectives.
14. The Panel will have access to the PRA Executive and the PRC, meeting them formally at least once a year.

## The Practitioner Panel Insurance Sub-committee

15. The Panel has established the Practitioner Panel Insurance Sub-committee (the Sub-committee) to discuss PRA policies and practices related to the insurance sector. Information will be shared between the Panel and the Sub-committee. The Panel will have sight of the Sub-committee's forward agenda and will receive a debrief of each Sub-committee meeting at the following Panel meeting.
16. The Sub-committee has its own [terms of reference](#) which are published on the Panel's section of the Bank of England website.



## **Accountability**

17. The Panel shall contribute to the PRA's Annual Report and publish its own annual report on the Panel's section of the Bank of England website.
18. In addition, members of the Panel will, when appropriate opportunities arise, report informally on its work to practitioners and trade bodies.
19. When Panel members attend or speak at external events on behalf of the Panel, members should clarify that they are doing so on behalf of the Panel and not the PRA.

**January 2020**