

## **NOTE OF A COURT TELECONFERENCE**

Tuesday, 14 March 2017

### Present:

Anthony Habgood, Chairman  
The Governor  
Sir Jon Cunliffe, Deputy Governor – Financial Stability  
Mr Fried  
Mr Frost

### By phone:

Mr Broadbent, Deputy Governor – Monetary Stability  
Mr Woods, Deputy Governor – Prudential Regulation  
Baroness Harding  
Mr Prentis  
Mr Robert  
Ms Thompson

### In Attendance:

Ms Scott  
Mr de Weymarn  
Ms Branch

### Secretary:

Mr Footman

The Governor reported on his recent discussions with the chair of the Commons' Treasury Committee. The Committee intended to issue a report declaring Ms Hogg to be unfit for the role of DGMB as a consequence of the oversight that she had herself declared to the Committee in correcting her previous evidence. Ms Hogg had written to the Governor during the previous day indicating that in these circumstances she would insist on resigning. A copy of the letter and of a draft news release from the Bank was circulated.

Court accepted Ms Hogg's resignation with great regret. It was noted that her departure came at a critical time and represented a material loss to the management of the Bank, to which Ms Hogg had made a significant and lasting contribution. The outcome seemed to Court members entirely disproportionate to the original offence, which in a supervised

firm under the senior managers' regime would not have prompted either the PRA or the FCA to press for dismissal, and to set an unwelcome precedent for such firms.

Court agreed to undertake a review of the Bank's Code of Conduct, which would be led by Mr Fried with other non-executive directors. It would be supported by the Court's Independent Evaluation Office and with input from the Bank's internal audit function and the National Audit Office as appropriate.

In response to questions Mr Habgood said that the DGMB recruitment process would be restarted by the Treasury, and the Bank would separately advertise the COO role. Ms Hogg had offered to help the Bank in any transition, which Court welcomed.

The meeting was closed