



BANK OF ENGLAND

News release

Press Office

Threadneedle Street

London EC2R 8AH

T 020 7601 4411

F 020 7601 5460

press@bankofengland.co.uk

www.bankofengland.co.uk

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Prudential Regulation Authority Board members appointed

The Court of the Bank of England has appointed three independent directors to the Board of the Prudential Regulation Authority (PRA) which from 1 April will be responsible for the safety and soundness of banks, insurance companies and major investment firms. They are:

- Iain Cornish, formerly Chief Executive of the Yorkshire Building Society.
- Rosalind Gilmore, a former Chairman of the Building Societies Commission and of the Lloyd's of London regulatory board.
- Charles Randell, at present a Partner at Slaughter and May.

The appointments have been approved by the Chancellor of the Exchequer.

The Bank intends in due course to appoint an additional Board member with extensive experience of the insurance industry.

The new Directors will take up their duties immediately in order that the PRA can adopt rules and take other necessary decisions before taking over the FSA's responsibilities.

The Chairman of Court, Sir David Lees said: "I am delighted to welcome to the Bank of England the three founder Independent Directors of the PRA and congratulate them on their appointment. Court has responsibility for administrative matters relating to the PRA and looks forward to working with its Board to ensure the cost effective delivery of its objectives and strategy."

The Governor, Sir Mervyn King, said: "I am delighted to welcome Iain, Rosalind and Charles to the new PRA Board. Their combined breadth of experience and skills will play an invaluable part in establishing the Bank of England's new judgement-based approach to supervision in the UK."

Notes to Editors

1. The Prudential Regulation Authority is a subsidiary of the Bank of England. Under the Financial Services Act 2012 it will take over responsibility for the regulation, for purposes of safety and soundness, of banks, insurance companies, certain investment banks, credit unions and friendly societies. The relevant legislation comes into force on 1 April.

2. The PRA will have about 1,200 staff and will be located in offices close to the Bank of England.

3. The Board of the PRA will consist of the Governor of the Bank (as Chairman): the Deputy Governor for Financial Stability (Paul Tucker); the Deputy Governor for Prudential Regulation, who is also CEO of the PRA (Andrew Bailey); the Chief Executive of the Financial Conduct Authority (FCA) (Martin Wheatley); and

Independent Directors appointed by the Court of the Bank with the approval of the Chancellor. The Act requires that the independent members (including the CEO of the FCA) must form a majority of the Board.

4. At the PRA, the Board will be responsible for making policies and rules, and it will take all major regulatory decisions. It is likely to meet fortnightly.

5. The members were selected following an appointment process led by the Court of the Bank. John Stewart, a non-executive director of the Bank of England, chaired the appointment panel with representation from both the Bank and HM Treasury.

6. The remuneration of the appointed Board members is £77,520pa. They are subject to the Bank's normal ethics policies including rules on conflicts of interest and personal financial transactions.

7. Normally appointments would be for renewable 3 year teams but to secure rotation initial appointments have been made for renewable terms of 1 year (Mr Randell), 2 years (Ms Gilmore) and 3 years (Mr Cornish).

Biographies

Iain Cornish was Chief Executive of the Yorkshire Building Society. He joined the Society in 1992 and held a number of senior management positions prior to being appointed Chief Executive in 2003. He retired in 2011. He was a member of the FSA Practitioner Panel from 2007 to 2011, becoming its Chairman in 2009. He is currently a non-executive director of St James's Place.

Rosalind Gilmore spent twenty-six years in the UK Treasury where she held various senior appointments, specialising in international and domestic monetary policy and the structure of the UK financial sector. She also worked in the World Bank and as Marketing Director for the UK Girobank. She completed her Government career as Executive Chairman (First Commissioner) of the regulatory commission for the UK mortgage and savings industry. She has also been a Director of the Securities and Investments Board, a member of Lloyd's of London Regulatory Board and of the Banking Advisory Committee of the European Union. She has held a variety of part time directorships in the public, academic and corporate sectors, most recently Zurich Insurance.

Charles Randell has been Partner at Slaughter and May since 1989, with a broadly-based corporate finance practice including mergers and acquisitions and public sector work, most recently in relation to financial stability and bank restructuring. He advised HM Treasury on the resolutions of Northern Rock, Bradford & Bingley and the Icelandic banks, the Government's investments into RBS and the merged Lloyds/HBOS and the Asset Protection Scheme. He has recently advised the Portuguese Ministry of Finance on the recapitalisation of the Portuguese banking sector. He will retire as a Partner from Slaughter and May at the end of August 2013.