



BANK OF ENGLAND

News release

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Bank of England Court Minutes June 2007 – May 2009

The Bank of England today published, in a special release, the minutes of Court and related meetings from the crisis period of 2007-09, in appropriately redacted form¹. This follows the Bank's 11 December 2014 announcement of a series of proposals to enhance the transparency and accountability of the Bank. As part of this announcement, the Governor committed to publishing the 2007-2009 Court minutes, as requested by the Treasury Committee².

In the period covered by these minutes the Bank was operating within the statutory framework established in 1998. Court was much larger than the present Court, a number of members had standing conflicts of interest, and there was no provision for a non-executive chairman (to compensate for that, the Governor established the practice of having all Court business discussed first in the non-executive directors' committee). At the time, the Bank had no powers to take actions to manage macro-prudential risks. It was not responsible for banking supervision and there was no bank resolution authority. The roles, in a crisis, of the Bank, the Treasury and the FSA were ill-defined. These deficiencies were rapidly identified during the period covered by the minutes, and were addressed both by the 2009 Banking Act and subsequently by the 2012 Financial Services Act, which radically changed both the role of the Bank and the structure of its governance.

Governor, Mark Carney said:

¹ Redactions are minimal (around 3% of the documents) and confined to certain specific categories including for example the need to protect the security of the Bank and its staff, and to comply with legal requirements

² Accountability of the Bank of England, Treasury Select Committee, 8 November 2011

“The financial crisis was a turning point in the Bank’s history. The minutes provide further insight into the Bank’s actions during this exceptional period – the policies implemented to mitigate the crisis, the lessons that were learned, and how the Bank changed as a result.

The Bank is committed to increased openness and transparency and these minutes, in combination with the other recent reviews, provide a complete record of the Bank’s activities during the crisis.”

Chairman of Court, Anthony Habgood said:

“These minutes highlight the importance of the role of Court in ensuring the Bank is robustly governed. While successive reforms in recent years have significantly enhanced Court’s capability to hold the Bank’s executive management to account, there is scope to go further, with a simpler structure and a clearer commitment to accountability. As Chairman of the Bank’s Board, I will do my utmost to ensure that the Bank is open, accountable, trusted and above all, well-governed.”

The Bank is also publishing Court minutes from 1914-1946 and Committee of Treasury minutes from 1914-1931. This is part of the Bank’s commitment to publish all Court minutes up to 1987 by May 2015, after which the Bank will move towards publishing archives with a lag of 20 years, in line with National Archive best practice³.

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³ Since May 2013, Court Minutes have been published six weeks after the meeting to which they relate, or if there is no meeting within that period, two weeks after the date of the subsequent Court meeting

