



BANK OF ENGLAND

Senior Managers Regime



Contents

¹ As of 29 April 2017, the role of Deputy Governor, Markets and Banking is vacant. The Governor will assume the Prescribed Responsibilities for that role until a new Deputy Governor, Markets and Banking is in place, at which point the responsibilities will revert to them.

Foreword



Mark Carney
Governor



Anthony Habgood
Chair of Court



Although the Bank is not legally required to adhere to the SMR, we are today setting out how we intend to apply the core principles of the SMR to the Bank's leadership team and our work.

At the Bank of England ('the Bank'), we believe that it is essential that we hold ourselves to the same high standards that we demand of our regulated firms. The Senior Managers Regime ('SMR'), a central element of the post-crisis reform agenda, came into force for the UK financial sector on 7 March 2016. The SMR seeks to ensure that financial institutions adhere to exemplary standards of governance and accountability. Although the Bank is not legally required to adhere to the SMR, we are today setting out how we intend to apply the core principles of the SMR to the Bank's leadership team and our work.

While there are many similarities between us and our regulated firms – not least the importance of governance, accountability and best practice risk and financial management – there are also some crucial differences.

The Bank is not a commercial bank. As the central bank of the United Kingdom, we aim to conduct policy for the good of the people of the United Kingdom rather than make a commercial return on funds. Many of the Bank's functions derive from statute, as does its organisational structure.

So while we have closely aligned our Prescribed Responsibilities with those we require of our regulated community, we have, where necessary, amended these to ensure that they are directly applicable to the work of the Bank.²

At the core of the SMR is the belief that companies should be led by skilled, principled colleagues, that there is absolute clarity about the responsibilities of the senior leadership team and that leaders of a business are held to account for its failures as well as its successes. The SMR therefore requires all qualifying firms to lay out clearly how they are managed and governed, and to map core responsibilities of their leadership team to designated Senior Managers (a 'Responsibilities Map'). It also requires that all Senior Managers provide a 'Statement of Responsibilities' which sets out the nature of their Prescribed Responsibilities, how these will be discharged, and the ways in which individual managers will be held to account for their actions.

² We have shared the original wording of the regulatory Prescribed Responsibilities as an appendix, and illustrated where Prescribed Responsibilities are not relevant. Prescribed Responsibility 2 (relating to the application of the certification regime) has not been applied to the Bank as the certification regime requires firms to ensure that material risk takers are subject to fitness and properness checks. In practice, all of the Bank's staff are subject to rigorous checks, both at the point of recruitment and on an ongoing basis.

In line with these requirements for our regulated firms, the Bank is today publishing its own 'Responsibilities Map', alongside 'Statements of Responsibilities' for our designated 'Senior Managers'.³ Those in the Bank to whom we have applied this framework based on the SMR are the Bank's Governor and Deputy Governors, its Chief Operating Officer, other executives with specific, clearly identifiable, responsibilities under the SMR and certain Non-executive Directors (NEDs).⁴

The Statements of Responsibilities explain how day-to-day management of functions is allocated to senior executives in the Bank. Where the day-to-day management of a function is allocated to a senior executive, overall responsibility remains with the Senior Manager to whom the SMR applies.

The roles and responsibilities of Senior Managers in the Bank do not in all cases map closely to the 'regulatory' Senior Management Functions set out in the SMR; they have policy responsibilities central to the Bank's mission but not applicable to a commercial bank.

⁴ The arrangements for overall responsibilities relating to risk and the Bank's codes are currently under review by the non-executive members of the Bank's Court of Directors (other than the Chair). Pending the outcome of that review responsibility for the second line of defence function for non-financial risk and the Bank's non-financial risk framework has transferred from the Chief Operating Officer to the Deputy Governor Prudential Regulation; and responsibility for certain codes and policies applying to Bank employees has transferred from the Secretary of the Bank to the General Counsel. An update to this document will be published following completion of the review.

³ The Bank may determine alternative arrangements for those circumstances where the allocation of responsibilities set out in this document may conflict with legal or regulatory requirements in any jurisdiction.

There are also senior executives who are not included in our Statements of Responsibilities or in our Responsibilities Map. As is the case for all of the Bank's Senior Management team, these executives still have clearly defined responsibilities, and are clear both about how these are discharged and the ways in which they will be held to account.

Included in today's publication are summaries of the responsibilities of our core committees.⁵ The Bank's functions include those which are exercised by its governing body, the Bank's Court of Directors (Court) and its sub-committees; those delegated by Court to the Governor, many of which are then delegated onwards within the Bank; and those exercised by its statutory policy committees (the MPC, FPC and PRC).

⁵ The document reflects the proposed changes to the organisational structure of the Bank on the basis of The Bank of England and Financial Services Bill ('the Bill') currently before Parliament. Certain aspects may therefore be subject to change. The provisions, once in force, will create a Prudential Regulation Committee ('PRC') to replace the present PRA Board, and will give the functions presently exercised by the Court Oversight Committee to the Court itself.

Of the statutory committee, only the PRC can make delegations and must delegate certain functions to the CEO PRA (who may make onward delegations).]The committees have collective responsibility for many of the Bank's core policy decisions. But the decisions made by committees are supported by analysis provided by different areas of the Bank for which individual Deputy Governors have responsibility.

The Bank is also undertaking other activities to apply the core principles of the SMR to itself. These include:

- establishing improved induction processes to ensure that new senior executives fully understand their responsibilities;
- conducting annual assessments of the suitability of senior executives for their role through the Bank's performance management framework; and
- introducing an annual update to the Bank's Audit and Risk Committee (ARCo) on the Bank's adherence to the core principles of the SMR.

Today's publication should be seen alongside the Bank's wider mechanisms for governance and transparency, which together ensure that the Bank is accountable to the public it serves. These include:

- A strong unitary board, exercising control over the use of resources, risk and financial reporting.
- Regular testimony sessions in Parliament, with the Treasury Select Committee playing a central role in ensuring accountability. The Treasury Select Committee holds regular hearings with policymakers, and requires those appointed to core positions in the Bank – including Governors, the Chair of Court and external policy committee members – to attend public 'confirmation hearings' that assess their suitability for their roles.

- The publication of annual reports and audited accounts.
- Regular accounts of the deliberations and decisions of our policy committees, as well as of Court. These include the minutes of our Court meetings, the minutes of our MPC meetings, the records of our FPC meetings and the regular communications by the PRC of its supervisory policies. Many of these arrangements were reviewed, and strengthened, in our December 2014 statement on *Transparency and Accountability at the Bank of England*, which included our response to the external review of monetary policy transparency by Governor Kevin Warsh.

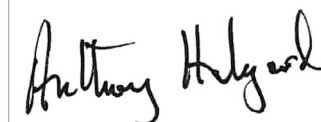
- Publication of reports from the Bank's Independent Evaluation Office (IEO), which supports Court in its oversight of the Bank's performance. The Bank's IEO, formally established in September 2014, aims to build further public trust in the Bank and contribute to the institution's culture of learning. It conducts periodic assessments of the Bank's performance, and the presumption is that these reports will be published, alongside a management response.
- A wider programme of public engagement and consultation, including our November 2015 Open Forum, which brought together policymakers, financial market participants, academics, media representatives and wider society to discuss the future of financial markets. Also core to this wider programme of engagement is our agency network, which has representatives in all regions of the United Kingdom, and provides a vital bridge between the business community across the country and the work of the Bank.

The governance of the Bank, the improving legislation framework and initiatives such as the creation of the Independent Evaluation Office (IEO) and the present SMR ensure that the Bank is and will remain open about, and accountable for, our actions, thereby supporting our mission to promote the good of the people of the United Kingdom by maintaining monetary and financial stability.

Mark Carney
Governor




Anthony Habgood
Chair of Court



Allocation of Prescribed Responsibilities



Prescribed Responsibilities	Mapping
1 Responsibility for applying the core principles of the SMR to the Bank.	
2 Responsibility for the firm's performance of its obligations under the employee certification regime. ⁶	
3 Responsibility for ensuring compliance with the Responsibilities Map.	
4 Responsibility for the Bank's policies and procedures for countering the risk that the Bank might be used to further financial crime.	
5 Responsibility for the allocation of all Prescribed Responsibilities.	
6 Chairing Court and evaluating the performance of Court and its sub-committees. Leading the development and overseeing the implementation of the Bank's policies and procedures for the induction, training and development of all directors.	
7 Responsibility for monitoring the effective implementation of policies and procedures for the induction, training and professional development of all persons performing senior management roles at the Bank, other than members of Court.	

 **Roll over responsibilities to filter roles**

Mapping key

Prescribed Responsibilities	Mapping
8 Responsibility for overseeing the adoption of the Bank's culture in the day-to-day management of the Bank.	
9 Responsibility for leading the development of the Bank's culture by the Bank's Court.	
10 Chairing and overseeing the performance of the Audit and Risk Committee (ARCo). Ensuring and overseeing the integrity and independence of the Bank's internal audit function (including the Internal Auditor).	
11 Ensuring and overseeing the integrity and independence of the Bank's compliance function (including the Internal Auditor).	
12 Chairing and overseeing the performance of the Risk Committee. Ensuring and overseeing the integrity and independence of the Bank's risk function.	
13 Chairing and overseeing the performance of the Remuneration Committee (RemCo). Overseeing the development and implementation of the Bank's remuneration policies and practices.	
14 Ensuring and overseeing the integrity, independence and effectiveness of the firm's policies and procedures on whistleblowing and ensuring staff that raise concerns are protected from detrimental treatment.	

Prescribed Responsibilities	Mapping
15 Responsibility for the management of the Bank's capital and the Bank's funding and liquidity operations.	
15a Responsibility for the Bank's capital and funding from a budget perspective.	
16 The Bank's treasury management functions.	
17 The production and integrity of the Bank's financial information.	
18 The Bank's business continuity management framework, including critical incident management and recovery plans. Responsibility for the Bank's role in financial sector continuity in the event of major disruption.	
20 Responsibility for the development and maintenance of the Bank's business model.	

Prescribed Responsibilities	Mapping
21 Overseeing the assessment of fitness and properness of Non-executive Directors.	
22 Responsibility for the Bank's proprietary trading activities.	
26 Responsibility for the protection of clients' assets.	
27 Chairing and overseeing the performance of the Nomination Committee (NomCo).	
28 Performing the role of a Senior Independent Director (in line with the Financial Reporting Council Code) and leading the assessment of the Chair's performance.	

6 Prescribed Responsibility 2 has not been applied to the Bank as the certification regime requires firms to ensure that material risk takers are subject to fitness and properness checks. In practice, all of the Bank's staff are subject to rigorous checks, both at the point of recruitment and on an ongoing basis.

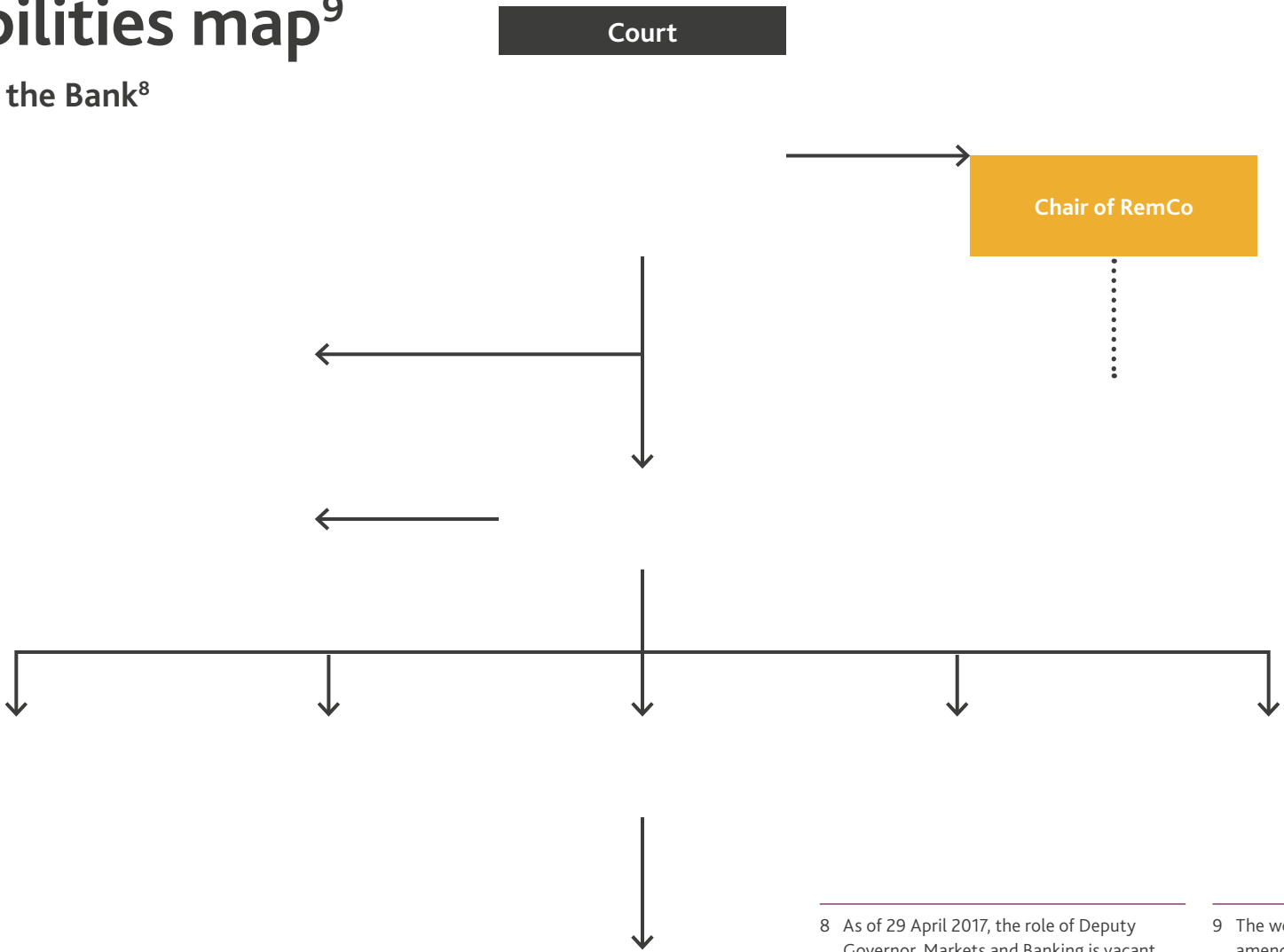
7 As of 29 April 2017, the role of Deputy Governor, Markets and Banking is vacant. The Governor will assume the Prescribed Responsibilities for that role until a new Deputy Governor, Markets and Banking is in place, at which point the responsibilities will revert to them.


Roll over responsibilities to filter roles

Mapping key

Responsibilities map⁹

Senior Managers in the Bank⁸



 Click on roles
to find out more

8 As of 29 April 2017, the role of Deputy Governor, Markets and Banking is vacant. The Governor will assume the Prescribed Responsibilities for that role until a new Deputy Governor, Markets and Banking is in place, at which point the responsibilities will revert to them.

9 The wording in this map has been amended where applicable to ensure that the responsibilities are appropriate to the Bank and its functions.

Statements of Responsibilities



The Governor

The Governor is appointed by the Queen on the advice of the Prime Minister and has overall responsibility for leading the Bank in pursuing its mission to promote the good of the people of the United Kingdom by delivering price and financial stability. As Chair of the MPC, the FPC, and the PRC, the Governor plays the central role in coordinating and setting monetary and macro and microprudential policy. The Governor is responsible for setting the strategy of the Bank (subject to approval by Court) and, working closely with the Chancellor of the Exchequer ('the Chancellor'), the framework under which the Bank operates. The Governor is also the Bank's principal spokesperson. Consequently he is accountable for a number of Prescribed Responsibilities¹⁰.

Ref	Prescribed Responsibility	Is this Prescribed Responsibility shared?
1	Responsibility for applying the core principles of the SMR to the Bank.	✓
5	Responsibility for the allocation of all Prescribed Responsibilities.	✗
8	Responsibility for overseeing the adoption of the Bank's culture in the day-to-day management of the Bank.	✗
17	The production and integrity of the Bank's financial information.	✓
20	Responsibility for the development and maintenance of the Bank's business model.	✓

¹⁰ As of 29 April 2017, the role of Deputy Governor, Markets and Banking is vacant. The Governor will assume the Prescribed Responsibilities for that role until a new Deputy Governor, Markets and Banking is in place, at which point the responsibilities will revert to them.

The Governor

Additional information about each Prescribed Responsibility:		
Ref	Prescribed Responsibility	Further relevant details
1	Responsibility for applying the core principles of the SMR to the Bank.	The Governor is responsible, together with the Chair of Court, for ensuring the allocation and adherence of the core principles of the SMR to the Bank is consistent with the Bank's responsibilities and priorities as set out in the Bank's strategic plan.
5	Responsibility for the allocation of all Prescribed Responsibilities.	The Governor considers and agrees Prescribed Responsibilities for all Deputy Governors and other members of staff who report to him, ensuring that these responsibilities are readily understood, shared, implemented, and monitored on a regular basis.
8	Responsibility for overseeing the adoption of the Bank's culture in the day-to-day management of the Bank.	<p>The Governor has line management responsibility for the Deputy Governors and therefore responsibility for culture in all the areas of the Bank; however, he delegates implementation to the Deputy Governors.</p> <p>The Governor supports all Governors in developing and implementing policies and procedures that support the objectives for Bank culture and that have been set collectively by the Governors as a whole.</p>

The Governor




Additional information about each Prescribed Responsibility:

Ref	Prescribed Responsibility	Further relevant details
17	The production and integrity of the Bank's financial information.	<p>The Governor has line management responsibility for the Chief Operating Officer, and ensures that the setting, communication, and delivery of the Bank's total expenditure and income budget is in line with the Bank's Budget as approved by Court.</p> <p>The Governor is also responsible for ensuring regular updates to Court on the Bank's financial information.</p>
20	Responsibility for the development and maintenance of the Bank's business model.	<p>The Governor is responsible for setting the Bank's overall strategy and business model (subject to approval by Court), and for ensuring that the Bank's long-term funding model is sustainable and delivers value for money.</p>

The Governor

Overall responsibility

This section deals with having overall responsibility for any of the business areas, activities, or management functions. By overall responsibility we mean the ultimate responsibility (under the governing body) for managing or supervising that function, and primary and direct responsibility for briefing and reporting to the governing body about that function and putting matters for decision about that function to the governing body of the firm.

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Coordination of Policy Committees	As Chair of the MPC, FPC, and PRC, the Governor plays a key role in setting and coordinating monetary, macro and microprudential policy, and ensuring that there is adequate coordination across committees.	 <p>Other DGs support here, but the ultimate responsibility for ensuring coordination is effective is the Governor as Chair of each of the Committees.</p>
Bank Strategy	The Governor is responsible for setting the strategy of the Bank (subject to approval by Court), and ensuring it is communicated internally and externally and implemented. The Governor ensures that regular updates are made available to all relevant stakeholders.	
Talent management	The Governor is responsible, together with the Chief Operating Officer, for developing and delivering a talent management plan for the Bank, including regular updates to the Bank's Court on succession plans for the top management team.	




The Governor

Overall responsibility

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Communication	The Governor is the Bank's principal communicator. He has line management responsibility for the Bank's Executive Director for Communications and is responsible for the Bank being accountable to the people through Parliament, and for building and retaining public confidence in the Bank's functions.	✗
Representation	The Governor is the Bank's primary representative at domestic and international policy fora, and is the Bank's official representative at meetings of the G7, G20, International Monetary Fund, Bank for International Settlements, European Central Bank, European Systemic Risk Board, and Governors and Heads of Supervision. He is also Chair of the Financial Stability Board.	✗
Budget	The Governor has line management responsibility for the Chief Operating Officer, and ensures that the setting, communication, and delivery of the Bank's total expenditure and income budget is in line with the Bank's budget as approved by Court.	✓ COO reports to the Governor and shares responsibility for the Bank's budget.

The Governor

Overall responsibility

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Risk	The Governor has line management responsibility for the Deputy Governor, Markets and Banking and Chief Operating Officer, and ensures that the Bank has a risk profile consistent with ensuring the delivery of its objectives.	 DGM&B and COO report to the Governor and share responsibility for risk.
Legal	The Governor has line management responsibility for the Bank's General Counsel, and is responsible for the formulation of policy and management procedures in line with legal obligations.	 General Counsel reports to the Governor and shares responsibility for mitigating legal risk across the Bank.
Business practices	The Governor has line management responsibility for the Secretary of the Bank, and is responsible for providing the Bank's central secretariat and codes relating to business practice, and the compliance with relevant codes of the Bank's most senior members.	 Secretary of the Bank reports to the Governor and shares responsibility for managing business practice issues on a day-to-day basis.

Key Committees

The Governor is a member of Court.
 The Governor chairs the PRC.
 The Governor chairs the MPC.
 The Governor chairs the FPC.

Deputy Governor, Monetary Policy

DGMP reports to the Governor and has responsibility for the Bank’s research and analysis of the UK economy in support of MPC decisions. DGMP also has responsibility for the provision and distribution of bank notes that are secure against the threat of counterfeiting.

Ref	Prescribed Responsibility	Is this Prescribed Responsibility shared?



Additional information about each Prescribed Responsibility:

Ref	Prescribed Responsibility	Further relevant details

Deputy Governor, Monetary Policy

Overall responsibility


This section covers overall responsibility for any particular areas, activities, or management functions. By overall responsibility we mean the ultimate responsibility (as appropriate under Court and the Governor) for managing or supervising that function, and primary and direct responsibility for briefing and reporting and putting matters for decision about that function to Court and/or the Governor as appropriate.

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Monetary Analysis	The DGMP is responsible for ensuring that the Monetary Policy Committee (MPC) is provided with the briefing and analysis it requires to make high quality monetary policy decisions; that research is undertaken in order to provide high quality support for the MPC in the future; and that the MPC publications help support a widespread understanding and trust of the monetary policy framework.	 <p>Chief Economist and Executive Director for Monetary Analysis reports to DGMP and manages monetary analysis on a day-to-day basis.</p>
Banknotes	The DGMP is responsible for ensuring public confidence in the availability, quality and security of the physical currency; fulfilling the Bank's obligations as the sole issuer of banknotes in England and Wales; ensuring that the risk to the Bank arising through the Note Circulation Scheme (NCS) is proportionate and well managed; and ensuring that Scottish and Northern Ireland banknotes are backed with appropriate assets.	 <p>Chief Cashier and Director of Notes reports to DGMP and manages Notes on a day-to-day basis.</p>

Key Committees

DGMP is a member of Court.
 DGMP is vice-chair of the MPC.
 DGMP is a member of the FPC.

Deputy Governor, Monetary Policy

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
International	Responsibility for: <ul style="list-style-type: none"> – advising the MPC and FPC of global economic and financial outlook, and providing an assessment of how foreign shocks impact on UK economy and financial stability. – developing and implementing the Bank’s international strategy including influencing outcomes that contribute to the Bank’s mission. 	 <p>The Director for International reports jointly to the DGFS and DGMP and manages International Directorate on a day-to-day basis.</p>

Deputy Governor, Financial Stability




DGFS reports to the Governor and has responsibility for oversight of the Bank's functions in relation to financial stability risk assessment and macroprudential policy. DGFS also has responsibility for supervision and oversight of Financial Market Infrastructures (FMI), oversight of the operation of the Bank's resolution regime in addition to oversight of the operational development of the Bank's approach to operational resilience of the UK financial sector, including a sector-wide response framework. DGFS ensures the Bank plays a leading role in shaping the European and international financial system and is jointly accountable for the Bank's international strategy and oversight of its implementation.

Ref	Prescribed Responsibility	Is this Prescribed Responsibility shared?
18	<p>The Bank's business continuity management framework, including critical incident management and recovery plans.</p> <p>Responsibility for the Bank's role in financial sector continuity in the event of major disruption.</p>	✓
Additional information about each Prescribed Responsibility:		
Ref	Prescribed Responsibility	Further relevant details
18	<p>The Bank's business continuity management framework, including critical incident management and recovery plans.</p> <p>Responsibility for the Bank's role in financial sector continuity in the event of major disruption.</p>	<p>In the event of major operational disruption to the financial system, DGFS is responsible for the Bank's role as part of the UK Authorities' response to ensure financial sector continuity.</p> <p>The Prescribed Responsibility is shared with the COO. The COO is responsible for the Bank's business continuity and critical incident policies and procedures.</p>

Deputy Governor, Financial Stability


Overall responsibility

This section covers overall responsibility for any particular areas, activities, or management functions. By overall responsibility we mean the ultimate responsibility (as appropriate under Court and the Governor) for managing or supervising that function, and primary and direct responsibility for briefing and reporting and putting matters for decision about that function to Court and/or the Governor as appropriate.

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Financial stability strategy and risk	Responsibility for assessment of risks to UK financial stability, overseeing staff analysis for stress testing and strategy for use of macroprudential tools, and the effective operation of the FPC.	 Executive Director for Financial Stability Strategy and Risk (FSSR) reports to DGFS and manages financial stability strategy and risk on a day-to-day basis.
Prudential Policy	Responsibility for the formulation of prudential policy in line with legal obligations, and for engagement with external policy bodies in the formulation of prudential policy on an international and national basis. DGFS will ensure that emerging policy issues are raised for appropriate discussion and is responsible for delivering high quality analysis on prudential policy issues.	 Executive Director for Prudential Policy reports jointly to DGFS and DGPR and manages prudential policy on a day-to-day basis.
Resolution	Responsibility for the resolution of banks and the other financial institutions subject to the UK Special Resolution Regime and for developing Bank policy in this area. DGFS also has responsibility for the Bank's role in overseeing the operational resilience of the UK financial sector, including cyber resilience.	 Executive Director for Resolution reports to DGFS and manages resolution on a day-to-day basis.

Deputy Governor, Financial Stability

Overall responsibility

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Financial Markets Infrastructure (FMI)	Responsibility for supervision of FMIs in line with the agreed supervisory approach, approval of all decisions in relation to FMIs, except those reserved to the Governors, FMI Board or FMI Executive Committee, formulation of FMI policy in line with legal obligations, and for engagement with external policy bodies in formulation of FMI policy on an international and national basis.	 <p>Director for Financial Markets Infrastructure reports to DGFS and manages Financial Markets Infrastructure on a day-to-day basis.</p>
International	DGFS and DGMP are jointly responsible for advising the MPC and FPC of global economic and financial outlook, and providing an assessment of how foreign shocks impact on UK economy and financial stability and developing and implementing the Bank's international strategy including influencing outcomes that contribute to the Bank's mission.	 <p>Director for International reports jointly to DGFS and DGMP and manages the International Directorate on a day-to-day basis.</p>

Key Committees

DGFS is a member of the MPC.
 DGFS is a member of the FPC.
 DGFS is a member of the PRC.
 DGFS is a member of Court.

Deputy Governor, Markets and Banking

DGM&B¹¹ reports to the Governor and has sole responsibility for the Bank's Markets Directorate and Banking, Payments and Financial Resilience (BPFR) Directorates, as well as shared responsibility for the International Directorate. DGM&B is responsible for the Bank's operations and balance sheet, including but not limited to the execution and eventual exit from quantitative easing, the provision of liquidity insurance to the banking system and the operation of the Real Time Gross Settlement (RTGS) system. DGM&B is jointly accountable for the Bank's international strategy and oversight of its implementation.

Ref	Prescribed Responsibility	Is this Prescribed Responsibility shared?
4	Responsibility for the Bank's policies and procedures for countering the risk that the Bank might be used to further financial crime.	✓
15	Responsibility for the management of the Bank's capital and the Bank's funding and liquidity operations.	✗ The COO and the Finance Director are jointly responsible for 15a. ¹²
16	Responsibility for the Bank's treasury management functions.	✗
22	Responsibility for the Bank's proprietary trading activities.	✗
26	Responsibility for the protection of clients' assets.	✗

¹¹ As of 29 April 2017, the role of Deputy Governor, Markets and Banking is vacant. The Governor will assume the Prescribed Responsibilities for that role until a new Deputy Governor, Markets and Banking is in place, at which point the responsibilities will revert to them.

¹² 15a is responsibility for the Bank's capital and funding from a budget perspective.

Deputy Governor, Markets and Banking

Additional information about each Prescribed Responsibility:		
Ref	Prescribed Responsibility	Further relevant details
4	Responsibility for the Bank's policies and procedures for countering the risk that the Bank might be used to further financial crime.	DGM&B jointly owns with the COO the Bank's anti-money laundering, anti-terrorist financing and financial sanctions policies. DGM&B has responsibility for the implementation of supporting procedures in Markets and Banking. The Bank's Money Laundering Reporting Officer resides in Markets and Banking with a joint reporting line to the DGM&B and the COO.
15	Responsibility for the management of the Bank's capital and the Bank's funding and liquidity operations.	Management of the Bank's capital through banking transactions and operations in sterling and foreign exchange financial markets is the responsibility of the DGM&B. Funding and liquidity operations in the Sterling Monetary Framework and the Funding for Lending Scheme are the responsibility of DGM&B. The Balance Sheet Remit and the set of three Financial Risk Standards, approved by Court, govern the day-to-day management of the Bank's balance sheet.
16	Responsibility for the Bank's treasury management functions.	Management of the Bank's Sterling and Foreign Currency portfolios is the responsibility of DGM&B. The Balance Sheet Remit and the set of three Financial Risk Standards, approved by Court, govern the day-to-day management of the Bank's balance sheet.

Deputy Governor, Markets and Banking

Additional information about each Prescribed Responsibility:

Ref	Prescribed Responsibility	Further relevant details
22	Responsibility for the Bank's proprietary trading activities.	DGM&B has responsibility for the limited, policy related trading activity on the Bank's Sterling and Foreign Currency portfolios that the Bank undertakes in accordance with the constraints and parameters provided by the Balance Sheet Remit and the set of three Financial Risk Standards, approved by Court, which govern the day-to-day management of the Bank's balance sheet.
26	Responsibility for the protection of clients' assets.	DGM&B has responsibility for all assets held and managed on behalf of the Bank's customers, which include HM Government and other central banks.

Deputy Governor, Markets and Banking

Overall responsibility

This section covers overall responsibility for any particular areas, activities, or management functions. By overall responsibility we mean the ultimate responsibility (as appropriate under Court and the Governor) for managing or supervising that function, and primary and direct responsibility for briefing and reporting and putting matters for decision about that function to Court and/or the Governor as appropriate.

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Banking, Payments and Financial Resilience	<p>Responsibility for :</p> <ul style="list-style-type: none"> – Payment services operations including provision of the RTGS service for UK payment and settlement schemes, and provision of certain payments services to customer banking clients. – The settlement of all sterling and foreign currency transactions relating to operations in sterling and foreign exchange financial markets carried out by the Bank of England, including on behalf of clients. – Customer service relating to the Bank of England's customer banking provision. – The second line of defence functions and the Bank's financial risk management framework. 	<p>×</p> <p>The Executive Director for Banking, Payments and Financial Resilience reports to the DGM&B manages Banking, Payments and Services on a day-to-day basis.</p>

Deputy Governor, Markets and Banking

Overall responsibility

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Markets	<p>Responsibility for:</p> <ul style="list-style-type: none"> – the implementation of the MPC’s policy decisions. Where advice on operational design or options is required by the committee, the DGM&B provides it. – investment management decision-making and execution. The Balance Sheet Remit and the set of three Financial Risk Standards govern the day-to-day management of the Bank’s balance sheet. – client assets held and managed on behalf of the Bank of England’s customers, including HMG and other central banks. – wholesale lending decisions made as part of the Bank of England’s Sterling Monetary Framework and Funding for Lending scheme. The Balance Sheet Remit and the set of three Financial Risk Standards govern the day to day management of the Bank’s balance sheet, with authority for a number of decisions reserved for the DGM&B or the Governor. – customer service relating to the Bank of England’s management of the Exchange Equalisation Account. 	<p style="text-align: center;">X</p> <p>The Executive Director for Markets reports to the DGM&B and manages Markets on a day-to-day basis.</p>

Deputy Governor, Markets and Banking

Overall responsibility

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Markets (continued)	<ul style="list-style-type: none"> – the Bank's middle office functions and activities. – the Market Intelligence activities conducted in the Markets Directorate. – the first line of defence function and the day-to-day management of financial risk to the Bank's balance sheet in accordance with the financial risk management framework. 	
Key Committees DGM&B is a member of Court. DGM&B is a member of ARCo. DGM&B is a member of the FPC.		
DGM&B is a member of the MPC. DGM&B is a member of the PRC.		

Deputy Governor Prudential Regulation and Chief Executive, Prudential Regulation Authority

DGPR reports to the Governor and has operational responsibility for delivering the PRA's strategy. As CEO of the PRA, DGPR has responsibility for day-to-day management of the PRA and is responsible for the expenditure of the PRA levy.

Ref	Prescribed Responsibility	Is this Prescribed Responsibility shared?
20	Responsibility for the development and maintenance of the Bank's business model (for the PRA).	×

Ref	Prescribed Responsibility	Description
20	Responsibility for the development and maintenance of the Bank's business model (for the PRA).	The DGPR is responsible for the development of the PRA's business plan. Once this is approved by the PRC, the DGPR is responsible for the day-to-day management of the PRA in accordance with the business plan.

Deputy Governor Prudential Regulation and Chief Executive, Prudential Regulation Authority




Overall responsibility

This section covers overall responsibility for any particular areas, activities, or management functions. By overall responsibility we mean the ultimate responsibility (as appropriate under Court and the Governor) for managing or supervising that function, and primary and direct responsibility for briefing and reporting and putting matters for decision about that function to Court and/or the Governor as appropriate.

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Responsibility for managing complaints relating to the PRA	<p>Responsibility for investigation and management of complaints relating to the PRA.</p> <p>Operation of the process is delegated to the PRA Secretariat.</p>	<p>✗</p> <p>FSMA requires that an independent person is appointed to review eligible complaints against the PRA where complainants are not satisfied. This role is carried out by the Complaints Commissioner.</p>
Responsibility for distribution and production of external communications	<p>Responsibility for distribution and production of external communications relating to the PRA.</p> <p>Responsibility for the content and strategy of all PRA communications.</p> <p>The distribution of PRA communications is undertaken by the Bank's Press Office.</p>	<p>✗</p>
Ensuring decisions are made within the PRA decision making framework	<p>Responsibility for ensuring decisions are made within the PRA decision-making framework as approved by the PRC.</p> <p>Maintenance of the framework and compliance against it is undertaken by the PRA Secretariat.</p>	<p>✗</p>

Deputy Governor Prudential Regulation and Chief Executive, Prudential Regulation Authority

Overall responsibility

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Management of Operations within the PRA	Responsibility for the PRA budget and for the day-to-day operational running of the PRA as part of the Bank.	 <p>Executive Director, Supervisory Risk and Regulatory Operations reports to DGPR and manages operations within the PRA on a day-to-day basis.</p>
Risk specialists	DGPR is responsible for ensuring the provision of technical expertise in specific risk disciplines as part of the PRA's integrated supervisory approach, in order to identify, analyse and mitigate material risks to the safety and soundness of PRA-regulated firms.	 <p>Executive Director, Supervisory Risk and Regulatory Operations reports to DGPR and manages Risk Specialists on a day-to-day basis.</p>
Supervision of UK banks, building societies and credit unions, unless otherwise agreed.	<p>Responsibility for the supervision of UK banks, building societies and credit unions in line with the PRA supervisory approach and the agreed supervisory approach to achieve the Statutory Objectives.</p> <p>DGPR sets the supervisory strategy for all UK banks, building societies and credit unions, except for the most systemic firms which are approved by the PRC.</p> <p>DGPR takes all decisions relating to UK banks, building societies and credit unions, except those reserved to the Supervisory Risk and Policy Committee and PRC.</p>	 <p>Executive Director, UK Banks Supervision reports to DGPR and manages the supervision of UK banks, building societies and credit unions on a day-to-day basis.</p>


Deputy Governor Prudential Regulation and Chief Executive, Prudential Regulation Authority

Overall responsibility

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Supervision of International Banks headquartered outside the UK, including branches and subsidiaries operating in the UK	<p>Responsibility for the supervision of International Banks in line with the PRA supervisory approach and the agreed supervisory approach to achieve the Statutory Objectives.</p> <p>DGPR sets the supervisory strategy for International Banks, except for the most systemic firms which are approved by the PRC.</p> <p>DGPR takes all decisions relating to International Banks, except those reserved to the Supervisory Risk and Policy Committee and PRC.</p>	<p>✗</p> <p>Executive Director, International Banks Supervision reports to DGPR and manages supervision of International Banks on a day-to-day basis.</p>
Supervision of Insurance firms within the UK	<p>Responsibility for supervision of Insurance firms in line with the PRA supervisory approach and the agreed supervisory approach to achieve the Statutory Objectives.</p> <p>DGPR sets the supervisory strategy for all Insurance firms, except for the most systemic firms which are approved by the PRC.</p> <p>DGPR takes all decisions relating to Insurance firms, except those reserved to the Supervisory Risk and Policy Committee and PRC.</p>	<p>✗</p> <p>Executive Director, Insurance Supervision reports to DGPR and manages Insurance Supervision on a day-to-day basis.</p>

Deputy Governor Prudential Regulation and Chief Executive, Prudential Regulation Authority

Overall responsibility

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Responsibility for prudential banking and insurance policy	<p>Responsibility for the formulation of prudential policy in line with legal obligations, including overseeing engagement with external policy bodies in formulation of prudential policy on an international and national basis.</p> <p>DGPR ensures that emerging policy issues are raised for appropriate discussion and for delivering high quality analysis on prudential policy issues.</p>	 <p>Executive Director, Prudential Policy reports jointly to DGPR and DGFS and manages prudential banking and insurance policy on a day-to-day basis.</p>

Key Committees

DGPR is a member of Court.
 DGPR is a member of ARCo.
 DGPR is a member of the PRC.
 DGPR is a member of the FPC.

Chief Operating Officer

The COO reports to the Governor and has responsibility for the day-to-day management of the Bank including finance, technology, information and physical security, human resources, property, procurement and Bankwide risk oversight. The COO is also responsible for the development and implementation of the Bank's Strategic Plan. Consequently they are accountable for a number of Prescribed Responsibilities listed.

Ref	Prescribed Responsibility	Is this Prescribed Responsibility shared?
3	Responsibility for ensuring compliance with the Responsibilities Map.	✗
4	Responsibility for the Bank's policies and procedures for countering the risk that the Bank might be used to further financial crime.	✓
7	Responsibility for monitoring the effective implementation of policies and procedures for the induction, training and professional development of all persons performing senior management roles at the Bank other than members of Court.	✗
13	Responsibility for overseeing the development of, and implementation of the Bank's remuneration policies and practices.	✓
15a	Responsibility for the Bank's capital and funding from a budget perspective.	✓
17	The production and integrity of the Bank's financial information and its regulatory reporting in respect of its regulated activities.	✓
18	The Bank's business continuity management framework, including critical incident and recovery plans; Responsibility for the Bank's role in financial sector continuity in the event of major disruption.	✓

Chief Operating Officer

Additional information about each Prescribed Responsibility:

Ref	Prescribed Responsibility	Further relevant details
3	Responsibility for ensuring compliance with the Responsibilities Map.	The COO ensures that the Prescribed Responsibilities are clearly identified in individuals' job descriptions. The COO reports to the Governor and to Court on the Bank's adherence to the core principles of the SMR.
4	Responsibility for the Bank's policies and procedures for countering the risk that the Bank might be used to further financial crime.	<p>The COO jointly owns with the DGM&B the Bank's anti-money laundering, anti-terrorist financing and financial sanctions policies. The COO has responsibility for the implementation of supporting procedures in areas of the Bank other than in M&B. The Bank's Money Laundering Reporting Officer resides in M&B with a joint reporting line to COO and DGM&B.</p> <p>The COO is responsible to ARCo for reporting on any bribery, corruption, or data security risks.</p>
7	Responsibility for monitoring the effective implementation of policies and procedures for the induction, training and professional development of all persons performing senior management roles at the Bank other than members of Court.	The COO is responsible for all talent processes and therefore is accountable to the Governor and the Chair of Court for developing and implementing these procedures.

Chief Operating Officer

Additional information about each Prescribed Responsibility:

Ref	Prescribed Responsibility	Further relevant details
13	Responsibility for overseeing the development of, and implementation of the Bank's remuneration policies and practices.	The COO is responsible for all talent policies and processes and, with the HR Director, who reports to the COO, develops remuneration policies and processes for decision by the Remuneration Committee.
15a	Responsibility for the Bank's capital and funding from a budget perspective.	The maintenance of the Bank's capital and funding from a budget perspective is the responsibility of the Finance Director, who reports to the COO.
17	The production and integrity of the Bank's financial information and its regulatory reporting in respect of its regulated activities.	The Finance Director reports to the COO and he has responsibility for the production and integrity of the Bank's financial information, reporting to the Governor, Chair of the Audit and Risk Committee and thence to the Chair of Court.
18	The Bank's business continuity management framework, including critical incident and recovery plans. Responsibility for the Bank's role in financial sector continuity in the event of major disruption.	The COO is responsible for developing and maintaining the Bank's business continuity and critical incident policies and procedures. This Prescribed Responsibility is shared with DGFS who, in the event of a major operational disruption to the financial system, is responsible for the Bank's role as part of the UK authorities' response to ensure financial sector continuity.

Chief Operating Officer

Overall responsibility

This section covers overall responsibility for any particular areas, activities, or management functions. By overall responsibility we mean the ultimate responsibility (as appropriate under Court and the Governor) for managing or supervising that function, and primary and direct responsibility for briefing and reporting and putting matters for decision about that function to Court and/or the Governor as appropriate.

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Finance	<p>Responsibility for finance, including financial control, budgeting, management reporting and analysis, statutory reporting and tax matters.</p> <p>COO has overall responsibility for Bankwide risk.</p>	<p>✓</p> <p>The Finance Director reports to the COO and shares responsibility for maintenance of the Bank's capital and funding from a budget perspective, and for the production and integrity of the Bank's financial information.</p> <p>The Finance Director reports to the COO and manages finance on a day-to-day basis.</p>
Bankwide Risk	<p>Responsibility for operational and other (non-financial) risk, including oversight of the Bank's risk profile; effectiveness of controls and reporting to ARCo.</p>	<p>✗</p> <p>The Finance Director reports to the COO and manages operational and other (non-financial) risk on a day-to-day basis.</p>

Chief Operating Officer

Overall responsibility

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Human resources	Responsibility for all aspects of talent including recruitment, development and training, performance management, promotion, reward, terms and conditions, and employee relations including our engagement survey, diversity initiatives and corporate social responsibility initiatives.	<p>✗</p> <p>Human Resources Director reports to the COO, and manages HR on a day-to-day basis.</p>
Information technology	Responsible for the development and maintenance of technology of the Bank.	<p>✗</p> <p>The Chief Information Officer reports to the COO and manages technology on a day-to-day basis.</p>
Major change programmes; data infrastructure, tools and analytics	Responsibility for overseeing investment and delivery across the Bank, including the development and implementation of a future data architecture for the Bank; developing data policies and procedures to maximise the Bank's data assets while appropriately protecting and controlling them.	<p>✗</p> <p>The Chief Programme Officer reports to the COO and manages projects and data on a day-to-day basis.</p>

Chief Operating Officer

Overall responsibility

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Property and health and safety	Responsibility for maintenance and effective management of the Bank's property and Health and Safety procedures.	<p>×</p> <p>Head of Property, Procurement and Security Division reports to the COO and manages property and health and safety procedures on a day-to-day basis.</p>
Physical security	Responsibility for the physical security of the Bank's employees and property.	<p>×</p> <p>Head of Property, Procurement and Security Division reports to the COO and manages property, procurement and physical security on a day-to-day basis.</p>
Information security	Responsibility for developing Information Security policies and procedures and monitoring compliance with those. The Technology directorate implements Information Security initiatives.	<p>×</p> <p>The Chief Information Security Officer reports to the COO and manages Information Security on a day-to-day basis.</p>

Chief Operating Officer

Overall responsibility

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Business continuity and critical incident procedures	Responsibility for developing and maintaining business continuity and critical incident procedures.	 <p>Head of Property, Procurement and Security Division reports to the COO and manages business continuity and Critical Incident procedures on a day-to-day basis.</p>
Strategic Plan	<p>Responsibility for the development and implementation of the Strategic Plan for the Governor.</p> <p>The COO is responsible for identifying opportunities for increasing the effectiveness and efficiency of the central functions and supporting fellow Governors in their line areas.</p>	 <p>The COO works with business and functional areas to ensure the development and implementation of the Strategic Plans as appropriate.</p>

Key Committees

COO attends Court.

COO is a member of ARCo.

COO attends RemCo.

Finance Director

The Finance Director has responsibility for the day-to-day management of the Bank's Finances and the Bankwide risk function. The Finance Director reports to the COO.

Although the Bank itself is not a qualifying company under the relevant provisions of the Finance Act 2009, we have chosen to designate the Finance Director as our Senior Accounting officer with overall responsibility for managing the Bank's financial accounting arrangement consistent with the Act's requirements.

The Finance Director is accountable for the Prescribed Responsibilities listed.

Ref	Prescribed Responsibility	Is this Prescribed Responsibility shared?
15a	The Bank's capital and funding from a budget perspective.	✓
17	The production and integrity of the Bank's financial information and its regulatory reporting in respect of its regulated activities.	✓



Additional information about each Prescribed Responsibility:

Ref	Prescribed Responsibility	Further relevant details
15a	The Bank's capital and funding from a budget perspective.	The maintenance of the Bank's capital and funding from a budget perspective is the responsibility of the Finance Director, who reports to the COO.
17	The production and integrity of the Bank's financial information and its regulatory reporting in respect of its regulated activities.	The Finance Director reports to the COO and has responsibility for the production and integrity of the Bank's financial information. The responsibility is shared with the Governor, COO, and Chair of Court.

Finance Director

Overall responsibility

This section covers overall responsibility for any particular areas, activities, or management functions. By overall responsibility we mean the ultimate responsibility (as appropriate under Court and the Governor) for managing or supervising that function, and primary and direct responsibility for briefing and reporting and putting matters for decision about that function to Court and/or the Governor as appropriate.

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Finance	The Finance Director is responsible for financial control, budgeting, management reporting and analysis, statutory reporting and tax matters.	 <p>The Finance Director reports to the COO and shares responsibility for maintenance of the Bank's capital and funding from a budget perspective, and shares responsibility for the production and integrity of the Bank's financial information.</p> <p>The Finance Director manages finance on a day-to-day basis.</p>
Bankwide Risk	With the COO, the Finance Director is responsible for operational and other (non-financial) risk including oversight of the Bank's risk profile; effectiveness of controls and reporting to ARCo.	 <p>The Finance Director reports to the COO and shares responsibility for operational and other (non-financial) risks on a day-to-day basis.</p>

Key Committees

The Finance Director attends ARCo.

Internal Auditor

The Internal Auditor is responsible for management of the internal audit function and reports directly to Chair of ARCo on the internal audit function, in line with corporate best practice.

Ref	Prescribed Responsibility	Is this Prescribed Responsibility shared?
	N/A	N/A

Internal Auditor

Overall responsibility

This section covers overall responsibility for any particular areas, activities, or management functions. By overall responsibility we mean the ultimate responsibility (as appropriate under Court and the Governor) for managing or supervising that function, and primary and direct responsibility for briefing and reporting and putting matters for decision about that function to Court and/or the Governor as appropriate.

Overall responsibility	Further relevant details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Responsibility for management of the internal audit function and for reporting directly to Court on the internal audit function.	<p>The Internal Auditor is responsible for the preparation – (with the input of executive management) and delivery of an annual audit plan which, commensurate with business risk, evaluates the effectiveness of internal controls, risk management and governance processes in all areas of the Bank.</p> <p>The Internal Auditor makes sure that Internal Audit’s recommendations are appropriately focused on the risks to the achievement of the Bank’s strategic objectives and is responsible for monitoring compliance with those recommendations.</p> <p>The Internal Auditor makes sure that the Internal Audit team is both suitably experienced and qualified and sufficiently diverse to generate creative and constructive challenge.</p> <p>The Internal Auditor ensures that Internal Audit’s reports and conclusions are accurate, unbiased and presented in a way that can be quickly and easily understood by senior stakeholders.</p> <p>The Internal Auditor manages Internal Audit’s resources to make sure that audits are conducted in accordance with professional standards and delivered to stakeholders within budget and on time.</p>	×

Internal Auditor

Overall responsibility

Overall responsibility	Further relevant details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
	<p>The Internal Auditor is responsible for making sure that Internal Audit: a) delivers on its commitments to the European System of Central Banks (ESCB) and to HM Treasury (HMT); b) supports, as appropriate the work of the Bank's (including the PRA) and Exchange Equalisation Account's (EEA's) external auditors; and c) engages as appropriate to support the development of the Internal Audit profession in central banks and the financial service industry more generally.</p> <p>The Internal Auditor agrees, with the Chair of ARCo, Internal Audit's strategic objectives and is responsible for making sure that these are delivered.</p>	

General Counsel

The General Counsel is responsible for the Bank’s legal function and reports directly to the Governor.


Ref	Prescribed Responsibility	Is this Prescribed Responsibility shared?
	N/A	N/A

Additional information about each Prescribed Responsibility:

Ref	Prescribed Responsibility	Further relevant details
	N/A	N/A

General Counsel

Overall responsibility

Title of this overall responsibility	Further relevant details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
	<p>The General Counsel is the Bank's principal legal adviser and has overall responsibility for the Bank's legal function. The Bank's legal function provides advice which seeks to mitigate legal risk across the Bank.</p> <p>The General Counsel advises and attends Bank committees as necessary, including particularly the FPC, PRC, Court and the FMI Board.</p>	 <p>The General Counsel reports to the Governor.</p>

Secretary of the Bank

The Secretary of the Bank reports to the Governor and to the Chair of Court, and is responsible for providing the Bank's central secretariat and codes relating to business practice. As Secretary to the Court, the Secretary is responsible for ensuring that Directors are, once appointed, fully aware of the relevant codes of practice.

Ref	Prescribed Responsibility	Is this Prescribed Responsibility shared?
21	Overseeing the assessment of fitness and properness of the Bank's NEDs.	With the Chair of Court. ✓

Additional information about each Prescribed Responsibility:

Ref	Prescribed Responsibility	Further relevant details
21	Overseeing the assessment of fitness and properness of the Bank's NEDs.	<p>The Secretary is responsible for ensuring that Directors are, once appointed, fully aware of the Court Code of Business Ethics and Conduct.</p> <p>The Secretary maintains records of disclosures made by NEDs of business interests and potential conflicts, and financial disclosures and permissions granted under the Bank's personal dealing rules.</p> <p>(The appointment of a Director to Court is made by the Crown, on the advice of the Prime Minister).</p>

Secretary of the Bank

Overall responsibility

This section covers overall responsibility for any particular areas, activities, or management functions. By overall responsibility we mean the ultimate responsibility (as appropriate under Court and the Governor) for managing or supervising that function, and primary and direct responsibility for briefing and reporting and putting matters for decision about that function to Court and/or the Governor as appropriate.

Title of this overall responsibility	Further relevant details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
Secretary's Department	The Secretary is responsible for the Bank's records and archives; Bank policies for all employees; approvals for all employees; and preparing briefing for Court members.	×

Key Committees

Secretary of the Bank is Secretary to Court.

Secretary of the Bank is Secretary to the Prudential Regulation Committee (PRC).

Chair of Court

The Chair of Court is responsible for ensuring that the governance of the Bank is effective.

Ref	Prescribed Responsibility	Is this Prescribed Responsibility shared?
1	Responsibility for applying the core principles of the SMR to the Bank.	✓
6	Chairing Court and evaluating the performance of Court and its subcommittees. Leading the development and overseeing the implementation of the Bank's policies and procedures for the induction, training and development of all directors.	✗
9	Responsibility for leading the development of the Bank's culture by the Bank's Court.	✗
17	The production and integrity of the Bank's financial information.	✓
21	Overseeing the assessment of fitness and properness of the Bank's NEDs.	✓
27	Chairing and overseeing the performance of the Nomination Committee.	✓

Chair of Court

Additional information about each Prescribed Responsibility:		
Ref	Prescribed Responsibility	Further relevant details
1	Responsibility for applying the core principles of the SMR to the Bank.	This responsibility is shared with the Governor.
6	Chairing Court and evaluating the performance of Court and its sub committees. Leading the development and overseeing the implementation of the Bank's policies and procedures for the induction, training and development of all directors.	<p>The Chair of Court is responsible for leadership of the board and ensuring its effectiveness on all aspects of its role. The Chair is responsible for setting the board's agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues. The Chair also promotes a culture of openness and debate by facilitating the effective contribution of Non-executive Directors in particular and ensuring constructive relations between executive and Non-executive Directors. The Chair is supported by the Finance Director, the COO and the Secretary in ensuring that the Directors receive accurate, timely and clear information.</p> <p>The Chair is supported by a secretariat and the IEO. The Chair of Court may commission reviews by the IEO.</p> <p>The Secretary maintains records of the training and induction given to all members of Court and its sub-committees, including teach-ins, and reviews this yearly as part of the Bank's adherence to the core principles of the SMR in the annual report to ARCo.</p>
9	Responsibility for leading the development of the Bank's culture by the Bank's Court.	Regular reporting to Court from surveys; evidence from whistleblowing via ARCo.
17	The production and integrity of the Bank's financial information.	Tested through ARCo, which the Chair normally attends.

Chair of Court

Additional information about each Prescribed Responsibility:		
Ref	Prescribed Responsibility	Further relevant details
21	Overseeing the assessment of fitness and properness of the Bank's NEDs.	The Secretary maintains records of business interests of NEDs and potential conflicts. Attestations to Our Code and financial disclosures and approvals relating to all NEDs are maintained by the Secretary.
27	Chairing and overseeing the performance of NomCo.	NomCo keeps under review vacancies on Court and potential candidates; appointments to Court Committees including the appointment of the Senior Independent Director (SID); any actual or likely conflicts of interest; the appointment of the Chief Operating Officer, the Secretary, and the Internal Auditor. NomCo is supported by the Secretary.
Key Committees Chair of Court chairs Court. Chair of Court chairs NomCo. Chair of Court is a member of RemCo. Chair of Court attends ARCo.		

Senior Independent Director

The Senior Independent Director (SID) acts as a sounding board for the Chair and as an intermediary for the other directors when necessary.

Ref	Prescribed Responsibility	Is this Prescribed Responsibility shared?
28	Performing the role of a SID (in line with the FRC Code) and leading the assessment of the Chairman's performance.	×

Additional information about each Prescribed Responsibility:

Ref	Prescribed Responsibility	Further relevant details
28	Performing the role of a SID (in line with the FRC Code) and leading the assessment of the Chairman's performance.	<p>The Senior Independent Director acts as a sounding board for the Chair and as an intermediary for the other directors when necessary. Led by the Senior Independent Director, the Non-executive Directors should meet without the Chair present at least annually to appraise the Chair's performance taking into account the views of Executive Directors, and on such other occasions as are deemed appropriate.</p> <p>The SID is supported by the Bank Secretary.</p>

Senior Independent Director

Overall responsibility

This section covers overall responsibility for any particular areas, activities, or management functions. By overall responsibility we mean the ultimate responsibility (as appropriate under Court and the Governor) for managing or supervising that function, and primary and direct responsibility for briefing and reporting and putting matters for decision about that function to Court and/or the Governor as appropriate.

Title of this overall responsibility	Further details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
		N/A

Key Committees

The SID is a member of Court.

Chair of Audit and Risk Committee (ARCo)

The role of the Chair of ARCo is to oversee the performance of ARCo.

Ref	Prescribed Responsibility	Is this Prescribed Responsibility shared?
10	Chairing and overseeing the performance of ARCo. Ensuring and overseeing the integrity and independence of the Bank's internal audit function (including the Head of Internal Audit).	×
11	Ensuring and overseeing the integrity and independence of the Bank's compliance function (including the Head of Compliance).	×
12	Chairing and overseeing the performance of ARCo. Ensuring and overseeing the integrity and independence of the Bank's Risk function.	×
14	Ensuring and overseeing the integrity, independence and effectiveness of the Bank's policies and procedures on whistleblowing and ensuring staff that raise concerns are protected from detrimental treatment.	×

Chair of Audit and Risk Committee (ARCo)

Additional information about each Prescribed Responsibility:		
Ref	Prescribed Responsibility	Further relevant details
10	Chairing and overseeing the performance of ARCo. Ensuring and overseeing the integrity and independence of the Bank's internal audit function (including the Internal Auditor).	Under its terms of reference ARCo must monitor the integrity of the financial statements; oversee the selection process for new external auditors; consider and approve the letter of appointment of the external auditor; and consider and approve the remit and resources of the internal audit function and disclose in the Annual Report whether ARCo is satisfied that the internal audit function has appropriate resources.
11	Ensuring and overseeing the integrity and independence of the Bank's compliance function (including the Head of Compliance).	The Head of Compliance has an indirect reporting line to Chair of ARCo.
12	Chairing and overseeing the performance of ARCo. Ensuring and overseeing the integrity and independence of the Bank's risk function.	Under its terms of reference ARCo must review and report on the effectiveness of the Bank's risk framework, risk standards, risk management policies and systems of internal control. The Head of Risk has an indirect reporting line to Chair of ARCo.
14	Ensuring and overseeing the integrity, independence and effectiveness of the Bank's policies and procedures on whistleblowing and ensuring staff that raise concerns are protected from detrimental treatment.	Under its terms of reference ARCo must review the Bank's arrangements for detecting and deterring fraud; and review and approve the Bank's arrangements for its employees to raise concerns, in confidence, about possible fraud, danger, malpractice or misconduct in financial reporting or other matters ('speaking up') and ensure that these arrangements allow proportionate and independent investigation and appropriate follow up action.

Chair of Audit and Risk Committee (ARCo)

Overall responsibility

This section covers overall responsibility for any particular areas, activities, or management functions. By overall responsibility we mean the ultimate responsibility (as appropriate under Court and the Governor) for managing or supervising that function, and primary and direct responsibility for briefing and reporting and putting matters for decision about that function to Court and/or the Governor as appropriate.

Title of this overall responsibility	Further relevant details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
	N/A	N/A

Key Committees

Chair of ARCo is Deputy Chair of Court.
Chair of ARCo chairs ARCo.
Chair of ARCo is a member of NomCo.

Chair of Remuneration Committee (RemCo)

The Chair of RemCo reports to Court and has responsibility for chairing and overseeing the performance of RemCo under the terms of reference approved from time to time by Court.

Ref	Prescribed Responsibility	Is this Prescribed Responsibility shared?
13	Chairing and overseeing the performance of RemCo. Overseeing the development and implementation of the Bank's remuneration policies and practices.	✓

Additional information about each Prescribed Responsibility:

Ref	Prescribed Responsibility	Further relevant details
13	Chairing and overseeing the performance of RemCo. Overseeing the development and implementation of the Bank's remuneration policies and practices.	<p>RemCo is responsible for determining all matters relating to the remuneration, including pension benefits and costs, of the Governors, the COO, Executive Directors and Advisers to the Governor, external members of the MPC and the FPC and the PRC.</p> <p>RemCo advises Court on major changes in remuneration structures within the Bank, including pension benefits, and other remuneration matters specifically referred to it by the Governor or by Court.</p> <p>RemCo approves the remuneration report for inclusion in the Bank's Annual Report.</p> <p>The Chair of RemCo is supported by the Head of HR and the Secretary of the Bank.</p>

Chair of Remuneration Committee (RemCo)

Overall responsibility

This section covers overall responsibility for any particular areas, activities, or management functions. By overall responsibility we mean the ultimate responsibility (as appropriate under Court and the Governor) for managing or supervising that function, and primary and direct responsibility for briefing and reporting and putting matters for decision about that function to Court and/or the Governor as appropriate.

Title of this overall responsibility	Further relevant details of this overall responsibility	Is this overall responsibility shared? Name(s), and/or job title(s) of the individual(s) the responsibility is shared with
	N/A	N/A

Key Committees

Chair of RemCo chairs RemCo.
Chair of RemCo is a member of Court.

Functions exercised by the Bank's committees



This document reflects the proposed changes to the organisational structure of the Bank on the basis of the Bank of England and Financial Services Bill (the Bill) currently before Parliament. Certain aspects may therefore be subject to change. The provisions, once in force, will create a Prudential Regulation Committee to replace the present PRA Board, and will give the functions presently exercised by the Court Oversight Committee to the Court itself.

Court

Court is responsible for managing the affairs of the Bank, other than the formulation of monetary policy. Court operates as a unitary board and consists of the Governor, the four Deputy Governors, and up to nine Non-executive Directors. The COO also attends Court. The Chair of Court and Deputy Chair are nominated by the Chancellor from among the Non-executive Directors. On the advice of NomCo, Court appoints a SID. Court has ultimate responsibility for the exercise of any functions of the Bank that are not given by statute to the FPC, MPC or PRC. Court exercises certain functions directly, and delegates other functions with the Bank. Some functions are delegated to sub-committees. Other functions are delegated to the Governor and, through the Governor, to the executive of the Bank. The delegated functions include the Bank's policy responsibilities for Resolution and Financial Market Infrastructure.

Matters that Court reserves to itself are set out in 'Governance of the Bank including Matters Reserved to Court'. They include: the Bank's financial framework and budget; resources of the Bank, including capital; the risk framework; the Sterling Monetary Framework; appointment of the COO, Executive Directors, the Internal Auditor and the Secretary; talent management and succession planning; appointment of external auditors; approval of the Bank's report and accounts; the dividend; the Bank's organisation; subsidiaries; ethical policies applying to staff and committees; senior remuneration and Bankwide pay structures (on advice from RemCo); and 'transactions outside the ordinary course of business' (Emergency Lending Assistance/formation of bridge banks) which may be dealt with by a transactions committee.

The IEO reports to the Chair of Court and plays a central role in helping Court hold the Bank to account for its performance.

Court has oversight functions, as set out in the Bank of England Act 1998 ('the Act'), in relation to the performance by the Bank of all its objectives. These include the commissioning of Reviews under Section 3C of the Act; such Reviews may also be commissioned by the Non-executive Directors of Court acting independently.

Court, as part of its oversight functions, keeps under review the processes of the MPC, the FPC and the PRC. Court members are entitled to observe meetings of those committees.

Court generally reaches decisions by consensus, but votes may be taken if necessary.

Court sub-committees

Audit and Risk Committee (ARCo)

ARCo consists of no less than four Non-executive Directors, the Chair being appointed by Court. ARCo reviews accounting policies and the annual financial accounts for approval by Court; keeps under review and reports to Court on the Bank's risk framework and risk standards, risk management policies and internal controls; oversees selection of financial auditor and makes recommendation to Court; agrees scope of audit and reviews management letter; approves any non-audit services provided by the financial auditor; and approves the internal audit plan and reviews findings. The Internal Auditor and heads of Risk and Compliance report to the Committee. Decisions are normally by consensus but votes may be taken, in which case the Chairman has a second casting vote.

Remuneration Committee (RemCo)

RemCo consists of no less than three Non-executive Directors, the Chair being appointed by Court, and considers all matters relating to the remuneration, including pension benefits and costs, of the Governors, the COO, Executive Directors and Advisers to the Governor, external members of the MPC, the FPC and the PRC. RemCo advises Court on major changes in remuneration structures within the Bank, including pension benefits, and other remuneration matters specifically referred to it by the Governor or by Court. RemCo approves the remuneration report for inclusion in the Bank's Annual Report. Decisions are normally by consensus but votes may be taken, in which case the Chair has a second casting vote.

Nominations Committee (NomCo)

NomCo consists of no less than [two] other Non-executive Directors. It advises Court on senior appointments – to Court sub-committees, the COO and certain Executive Directors, to the pension fund trustees – and recommends to the Chancellor the appointment of executive and non-executive members of Court. The Chair of Court is chair of the Committee. The Governor is not a member but is consulted by the Chair. Decisions are normally by consensus but votes may be taken, in which case the Chair has a second casting vote.

Monetary Policy

Monetary Policy Committee

The MPC is a committee of the Bank with statutory responsibility for formulating monetary policy.

The Governor usually chairs the MPC, and there are four additional Bank members (DGMP, DGFS, DGM&B and the Chief Economist), and four independent members with relevant knowledge and experience appointed by the Chancellor.

The MPC pursues its monetary policy responsibility under the Bank's monetary policy objective of (a) maintaining price stability; and (b) subject to that, supporting the Government's economic policies, including its objectives for growth and employment. Price stability, and the Government's economic policies, are defined in an annual remit from HM Treasury. The Committee must publish its decisions and the minutes of its meetings, and each quarter, in respect of that quarter, a review of the monetary policy decisions published by the Bank, an assessment of developments in inflation in the UK economy, and an indication of the expected approach to meeting the Bank's monetary policy objectives. The responsibilities of the MPC for formulating monetary policy may not be delegated. The Bank implements the MPC's decisions.

The Committee takes decisions by vote, which is recorded in its published minutes.

Financial Stability

Financial Policy Committee

The FPC is a statutory committee of the Bank with various financial stability functions set in legislation.

The FPC consists of thirteen members. Six are Bank Governors and officials – the Governor, who usually chairs the Committee, DGFS, DGMP, DGM&B, DGPR and the Executive Director who has responsibility within the Bank for the analysis of threats to financial stability. The other seven are external members – the Chief Executive of the Financial Conduct Authority, five members with relevant knowledge and experience appointed by the Chancellor and a non-voting member from HM Treasury.

The Bank has an overarching statutory Financial Stability Objective to 'protect and enhance the stability of the financial system of the United Kingdom'. The FPC is to exercise its functions with a view to contributing to the achievement by the Bank of this objective (primarily by identifying, monitoring and taking action to reduce systemic risks with a view to protecting and enhancing the resilience of the UK financial system) and, subject to that, supporting the Government's economic policy, including its objectives for growth and employment.

The FPC meets at least quarterly. It may give Directions to the PRA and the Financial Conduct Authority in relation to macroprudential measures prescribed by secondary legislation under the Act. The FPC also has powers to make Recommendations to the PRA and FCA, HM Treasury, within the Bank, or to any other person. It publishes a record of its policy meetings and is responsible for preparing the twice-yearly Financial Stability Report. At least once a year, HM Treasury must specify what the Government's economic policy is taken to be and must make recommendations to the FPC about matters relevant to its responsibilities for financial stability and supporting the Government's economic policy, including its objectives for growth and employment. The FPC must respond formally to these, and provide reasons if it proposes not to follow the recommendations. The functions of the FPC must be exercised by the FPC itself and may not be delegated.

The Chair of the Committee is required to seek to secure that decisions are reached by consensus wherever possible. But there is a provision for decisions of the Committee to be taken by a vote if consensus cannot be reached, with the Chair having a second casting vote.

Prudential Regulation

Prudential Regulation Committee

The PRC is a statutory committee of the Bank, responsible for exercising the Bank's functions as the Prudential Regulatory Authority.

The Governor chairs the PRC, and there are three additional ex-officio Bank members (DGFS, DGM&B and DGPR as Chief Executive of the PRA). The Governor must appoint a further Bank member, with the approval of the Chancellor, and the Chancellor will appoint at least six independent members. The Chief Executive of the FCA is a member ex-officio.

The PRA's general objective is to promote the safety and soundness of the firms it regulates. In relation to insurance, its objective is to ensure an adequate degree of protection for policy holders. As a secondary objective the PRA must, so far as reasonably possible act in a way that facilitates competition in the markets for services provided by the firms it regulates. The PRC must formulate, agree and publish each year a strategy for the exercise of its functions.

The PRC may not delegate certain functions, including determining the PRA's strategy, issuing policy statements or rule-making functions. It may reserve other decisions to itself, but must delegate to the PRA Chief Executive Officer the functions of preparing for the PRC's consideration drafts of the PRA's strategy (and any proposed revisions) and the PRA's annual budget; the day-to-day management of the exercise of the Bank's functions of the PRA; and the day-to-day implementation of the PRA's strategy. The PRA Chief Executive Officer may onward delegate functions.

Appendix



Appendix

Regulatory Prescribed Responsibilities and their relevance to the Bank as a public sector body

Prescribed Responsibilities	Relevant to Bank of England?
1 Responsibility for the firm's performance of its adherence to the SMR.	✓ In respect of adherence to the core principles of the SMR.
2 Responsibility for the firm's performance of its obligations under the employee certification regime.	✗ Certification rules do not apply to the Bank.
3 Responsibility for compliance with the requirements of the regulatory system about the management Responsibilities Map.	✓
4 Overall responsibility for the firm's policies and procedures for countering the risk that the firm might be used to further financial crime.	✓
5 Responsibility for the allocation of all Prescribed Responsibilities.	✓

Prescribed Responsibilities	Relevant to Bank of England?
6 Responsibility for: (a) leading the development of; and (b) monitoring the effective implementation of; policies and procedures for the induction, training and professional development of all members of the firm's governing body.	✓
7 Responsibility for monitoring the effective implementation of policies and procedures for the induction, training and professional development of all persons performing designated senior management functions on behalf of the firm other than members of the governing body.	✓
8 Responsibility for overseeing the adoption of the firm's culture in the day-to-day management of the firm.	✓
9 Responsibility for leading the development of the firm's culture by the governing body as a whole.	✓

Appendix

Prescribed Responsibilities	Relevant to Bank of England?
10 Responsibility for: (a) safeguarding the independence of; and (b) oversight of the performance of: the internal audit function in accordance with SYSC 6.2 (Internal Audit).	✓
11 Responsibility for: (a) safeguarding the independence of; and (b) oversight of the performance of; the compliance function in accordance with SYSC 6.1 (Compliance).	✓
12 Responsibility for: (a) safeguarding the independence of; and (b) oversight of the performance of; the risk function in accordance with SYSC 7.1.21R and SYSC 7.1.22R (Risk control).	✓

Prescribed Responsibilities	Relevant to Bank of England?
13 Responsibility for overseeing the development of, and implementation of the firm's remuneration policies and practices in accordance with SYSC 19D (Remuneration Code).	✓
14 Responsibility for the independence, autonomy and effectiveness of the firm's policies and procedures on whistleblowing, including the procedures for protection of staff who raise concerns from detrimental treatment.	✓
15 Management of the allocation and maintenance of capital, funding and liquidity.	✓ Outside of policy committee responsibilities.
16 The firm's treasury management functions.	✓
17 The production and integrity of the firm's financial information and its regulatory reporting in respect of its regulated activities.	✓ Regarding financial information.

The PRA has also completed a Responsibilities Map in line with the core principles of the Senior Managers Regime (SMR) for banks as recommended by the TSC.

[You can access the PRA SMR here.](#)

Appendix

Prescribed Responsibilities	Relevant to Bank of England?
18 The firm's recovery plan and resolution pack and overseeing the internal processes regarding their governance.	✓ Regarding critical incident management.
19 Responsibility for managing the firm's internal stress-tests and ensuring the accuracy and timeliness of information provided to the PRA and other regulatory bodies for the purposes of stress-testing.	✗
20 Responsibility for the development and maintenance of the firm's business model by the governing body.	✓ Achievement of Bank's strategic goals and effective functioning of policy committees.
21 Responsibility for the firm's performance of its obligations under Fitness and Propriety (in the PRA Rulebook) in respect of its notified Non-executive Directors.	✓
22 If the firm carries out proprietary trading, responsibility for the firm's proprietary trading activities.	✓

Prescribed Responsibilities	Relevant to Bank of England?
23 If the firm does not have an individual performing the Chief Risk function, overseeing and demonstrating that the risk management policies and procedures which the firm has adopted in accordance with SYSC 7.1.2 R to SYSC 7.1.5 R satisfy the requirements of those rules and are consistently effective in accordance with SYSC 4.1.1R.	✗
24 If the firm outsources its internal audit function taking reasonable steps to ensure that every person involved in the performance of the service is independent from the persons who perform external audit, including (a) Supervision and management of the work of outsourced internal auditors and (b) Management of potential conflicts of interest between the provision of external audit and internal audit services.	✗



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