



BANK OF ENGLAND

Mark Carney
Governor

The Rt Hon Phillip Hammond
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

28 February 2018

Dear Chancellor,

The Bank of England and Financial Services Act 2016 introduced a requirement for the PRC to report at least once a year to the Chancellor about the adequacy of resources allocated to the performance of PRA functions and the extent to which the exercise of PRA functions is independent of other Bank functions.

I write to you as Chair of the Prudential Regulation Committee (PRC) with the first report, which relates to the period of 1 March 2017 to 28 February 2018. The PRA publishes this report as part of its commitment to transparency. In future this will be published as part of the PRA's Annual Report.

*Yours,
Mark*