



**Bank of England**

# External Member of the Financial Policy Committee

Position Specification

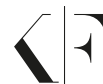
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HM Treasury



Bank of England



KORN FERRY

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# Bank of England

The Bank of England is the central bank of the United Kingdom; it exists to ensure monetary stability and to protect and enhance financial stability. The Bank employs around 4,400 staff and has a gross total expenditure of around £703 million per annum. Its annual report can be found [here](#) and its register of interests [here](#).

The Bank is a diverse organisation and continues to build an inclusive culture where everyone can produce their best work. The focus on inclusion is intended to build greater diversity in order to reflect the society we serve.

The statutory objectives on the Bank of England, which are set out in the Bank of England Act 1998, are:

## Financial Stability

Financial stability entails detecting and reducing threats to the financial system as a whole. Such threats are detected through the Bank's surveillance, market intelligence and supervisory functions, which include the Prudential Regulation Authority. The Financial Policy Committee is responsible for contributing to the Bank's financial stability objective by identifying and monitoring systemic threats to financial stability and taking action to reduce or remove those threats. On behalf of the Court of Directors, it determines the Bank's Financial Stability Strategy.

Other parts of the Bank also have a role in mitigating threats to financial stability, for example by strengthening infrastructure, and by financial and other operations at home and abroad, including, in exceptional circumstances, by acting as the lender of last resort.

The Financial Services Act 2012 brought together responsibility for all aspects of financial stability within the Bank of England. The Act strengthened the Bank's financial stability objective and created both the Financial Policy Committee as a policy committee within the Bank and the Prudential Regulation Authority as a subsidiary of the Bank. The Bank of England and Financial Services Act 2016 provided for the Prudential Regulation Authority to be incorporated within the Bank and the establishment of a Prudential Regulation Committee.

## Monetary Stability

Monetary stability means stable prices and confidence in the currency. Stable prices are defined by the Government's inflation target, which the Bank seeks to meet through the decisions on interest rates and asset purchases taken by the Monetary Policy Committee, explaining those decisions transparently and implementing them effectively in the money markets.

The Bank's policy responsibilities are conferred by legislation on expert bodies within the Bank, one of which is the Financial Policy Committee (the other expert bodies are described in Appendix I).

# The Financial Policy Committee (FPC)

The FPC was established as a committee of the Bank by the Financial Services Act 2012.

The membership of the FPC comprises the Governor (who chairs the FPC), the four Deputy Governors, the Chief Executive of the Financial Conduct Authority, the Bank's Executive Director for Financial Stability Strategy and Risk, five external members appointed by the Chancellor, and a non-voting member from HM Treasury. Information on the members of the Committee is available at: [Financial Policy Committee | Bank of England](#)

The FPC exercises its functions with a view to contributing to the achievement of the Bank's financial stability objective. The FPC is responsible for identifying, monitoring and taking action to remove or reduce systemic risks with a view to protecting and enhancing the resilience of the UK financial system. The FPC also has a secondary objective to support the Government's economic policies.

The FPC has wide-ranging powers of recommendation and can direct the Prudential Regulation Authority and the Financial Conduct Authority to take action to address systemic risks to financial stability.

The appointment of external members to the FPC is designed to ensure that the Committee benefits from thinking and expertise in addition to that existing inside the Bank of England, and to provide constructive challenge during the Committee's deliberations. Each member of the FPC should have expertise in the fields of financial services and economics. External members will be independent – they will not represent or lobby for individual groups, interests or sectors.

## FPC Objectives

The FPC has responsibility for formulating macroprudential policy. As set out in the Bank of England Act 1998, as amended by the Financial Services Act 2012, the objectives of the FPC are:

- to contribute to the achievement by the Bank of its financial stability objective by identifying, monitoring and addressing systemic risks with a view to protecting and enhancing the resilience of the UK financial system; and subject to that
- to support the economic policy of His Majesty's Government, including its objectives for growth and employment.

## Committee Meetings

The FPC usually meets quarterly for a series of meetings (usually held in March, June, September and November with between 6-8 meetings each time). The Committee aims to set policy by consensus but will vote if a consensus cannot be reached. In advance of policy meetings, the FPC receives extensive briefing on the economy and the financial system from Bank of England and Financial Conduct Authority (FCA) staff. This includes briefing and issues meetings which usually take place in the two weeks before the FPC's policy setting meeting. The members of the Committee are made aware of all the latest data and hear explanations of recent trends and analysis of relevant issues. The Committee is also told about the relevant regulatory issues by Bank and FCA staff.

## Public Communications

The Financial Services Act 2012 requires the FPC to explain its thinking and decisions publicly in detail. A record of FPC meetings is normally published two weeks after policy meetings. The record gives a full account of the policy discussion, including differences of view and votes (if any). The Committee explains its actions regularly to parliamentary committees, particularly the Treasury Committee. FPC members are also expected to speak to audiences throughout the country, to explain the FPC's policy decisions and thinking.

In addition to the FPC meeting records, the FPC publishes a Financial Stability Report (FSR) bi-annually. The FSR contains the FPC's assessment of the strength and weaknesses of the UK financial system and the Committee's outlook for the stability of the system. The report also sets out a summary of the action taken by the FPC since the previous report and an assessment of how those actions have contributed to the FPC's objectives.

The Financial Services Act 2012 requires that the FPC publish explanations for its policy decisions and these explanations will be published in the FSR.

# The Opportunity

## The Role

This is a high-profile and influential role. As set out in legislation, the Chancellor of the Exchequer will appoint an external member to the FPC only if he is satisfied that the person has knowledge or experience which is likely to be relevant to the Committee's functions.

In making external appointments to the FPC, the Government will seek to ensure that the composition of the Committee provides an appropriate balance of different skills and backgrounds and is keen to increase the diversity on the Committee. The appointment of external members to the FPC is designed to ensure that the Committee benefits from thinking and expertise in addition to that gained inside the Bank of England.

## Time Commitment & Remuneration

External members of the FPC are appointed by the Chancellor of the Exchequer. External appointments to the FPC are for a three-year term. There is the possibility of reappointment at the end of the term and external members can serve a maximum of two terms.

It is expected that the appointment will commence ahead of the Q1 round of FPC meetings in March 2024

Under the Bank of England Act 1998, a person is disqualified from being an external member of the FPC if they are (a) a Minister of the Crown; or (b) serving in a Government department in employment in respect of which remuneration is payable out of money provided by Parliament.

External members of the FPC are appointed by the Chancellor as officer-holders at the Bank of England. The Court of the Bank sets the terms of their appointment. The contract is fixed term and non-pensionable for the term of the appointment plus a three month "purdah" period on expiry of the fixed term. It requires a part-time commitment of an average 23 days a quarter, though actual experience can vary considerably. For the period of the appointment and during the purdah period, FPC members are bound by the Bank's conflicts of interest code – which covers potential conflicts on appointment as well as subsequently – and are required to abide by the Bank's rules on personal financial transactions as well as its general code of business ethics ("Our Code") and guidance on external communications.

Please note, as part of the vetting process, candidates will be subjected to due diligence. This will consist of reviewing your social media and any public attention. The role will also be subject to a pre-commencement hearing by the Treasury Select Committee.

Total compensation will be £98,200. This figure will be reviewed annually by the Bank's Remuneration Committee.

On taking up their post external FPC members receive support from a dedicated unit of officials within the Bank of England, who handle both logistical and policy issues (e.g. support preparing speeches).

External FPC members are not required to hold UK nationality.

FPC meetings normally take place at the Bank's head office in Threadneedle Street in the City of London. Consistent with the Bank's new ways of working in response to Covid, some FPC meetings may now take place in a 'hybrid' way, with some members attending from the Bank's head office and other members joining remotely via video conference.

# The Opportunity

## Skills and experience

The minimum requirements for this role are as follows:

- **Strong and proven financial sector experience** – Candidates must demonstrate financial sector experience operating at a senior level in industry, such as in banking or financial markets, and as a leader in their profession.
- **Strong understanding of key financial sector developments and of financial stability risk** – candidates must have the expertise necessary to critically evaluate large amounts of complex information in order to reach independent and well-reasoned policy judgements. They will have a strong understanding of key financial sector developments, including changes driven by technological developments and the different issues affecting the banking and/or non-bank financial sectors.
- **Independence of thought and ability to provide challenge** – candidates must be able to exert influence within the Bank, FPC and in wider external policy debate and provide robust challenge whilst working closely and constructively with FPC members.
- **Excellent interpersonal and communication skills** – candidates must be able to communicate with complete credibility externally and be able to defend decisions. Candidates must be able to make a strong contribution to the FPC's communications, explaining policy decisions to the public.
- **Undisputed integrity and standing** – the ability to maintain discretion and engender trust with a willingness to abide by the necessary conflict of interest constraints.

## Equality of Opportunity

The Bank of England and HM Treasury have strong commitments to diversity and equality of opportunity, and welcome applications from candidates irrespective of their background, gender, race, sexual orientation, religion, or age, providing they meet the required criteria. Both HM Treasury and the Bank are signatories to the Women in Finance Charter and applications from women and BAME candidates are particularly encouraged.

All disabled candidates (as defined by the Equality Act 2010) who satisfy the minimum criteria for the role will be guaranteed an interview under the Disability Confident Scheme (DCS).

To be eligible for consideration under the DCS, you must be considered disabled under the Equality Act 2010. This means that you must have or have had in the last 12 months – a physical or mental impairment which has a substantial long-term adverse effect on your ability to carry out normal day-to-day activities. This includes those whose disability has lasted, or is likely to last, for 12 months, or if the disability or condition is likely to progress or recur.

If you wish to apply under the DCS, then please complete Section 2 of the Disability Confident, Political Activity, and Conflict of Interest form.

If you feel you have a reason for complaint about the appointment process or manner which your application was handled, please contact HM Treasury. Contact details are available at: <https://www.gov.uk/government/organisations/hm-treasury/about/complaints-procedure>

# How to Apply

## Requirements and Key Dates

If you wish to apply, please submit the following by **12:00pm on Monday 18<sup>th</sup> September**.

- **A comprehensive CV** (maximum two sides A4, minimum 11 font) setting out your career history and including details of any relevant professional qualifications. The names of two referees should be included in the CV. References will only be taken up for short listed candidates. Referees will not be contacted without your prior consent.
- **A short supporting statement** (maximum three sides A4, minimum 11 font) giving evidence of how you meet the appointment criteria as detailed in the candidate profile and summarising the evidence from your career which best demonstrates your qualifications for the appointment. If you believe you may have a potential conflict of interest, please do flag this in the cover letter, as it may be explored at interview. Finally, please let us know if you plan to be away for any significant periods (a week or longer) in September, October or November 2023.
- Please complete and send the **'Disability Confident Scheme, Political Activity, and Conflict of Interest questionnaire'** which can be downloaded from our GOV.UK advert (Public Appointments pages).
- Finally, all candidates are also requested to complete a **Diversity Monitoring Form** which can be downloaded from our GOV.UK advert (Public Appointments pages). This will assist HM Treasury in monitoring selection decisions to assess whether equality of opportunity is being achieved. Any information collated from the Diversity Monitoring Forms will not be used as part of the selection process and will be treated as strictly confidential.

The preferred method of application is by emailing [ApplicationsKF@kornferry.com](mailto:ApplicationsKF@kornferry.com) with 'FPC External Member Appointment' included in the subject line.

All applications will receive a response.

## Personal Data

Data will be processed in line with the privacy notice found under Appendix III entitled 'HM Treasury Public Appointments: Privacy Notice'

In line with GDPR, we ask that you do NOT send us any information that can identify children or any of your Sensitive Personal Data (racial or ethnic origin, political opinions, religious or philosophical beliefs, trade union membership, data concerning health or sex life and sexual orientation, genetic and / or biometric data) in your CV and application documentation. Following this notice, any inclusion of your Sensitive Personal Data in your CV/application documentation will be understood by us as your express consent to process this information going forward. Please also remember to not mention anyone's information or details (e.g. referees) who have not previously agreed to their inclusion.

## Contact Details

For a conversation in confidence, please contact:

Peter Guilder at [Peter.Guilder@kornferry.com](mailto:Peter.Guilder@kornferry.com)

# Appendix I

## Additional Information

### The Monetary Policy Committee (MPC)

The Bank of England Act 1998 established the MPC as a Committee of the Bank. The Bank's Monetary Policy Committee (MPC) is made up of nine members – the Governor, the Deputy Governors for Monetary Policy, Financial Stability and Markets & Banking, a member appointed by the Governor (the Bank's Chief Economist) and four external members appointed by the Chancellor.

Under the 1998 Act, the Bank's objectives in relation to monetary policy are to maintain price stability and, subject to that, to support the economic policy of the Government, including its objectives for growth and employment. At least once a year, the Government specifies the price stability target and its growth and employment objectives. The MPC meets eight times a year.

### The Prudential Regulation Committee (PRC)

The Bank of England and Financial Services Act 2016 (2016 Act) provides for prudential regulation of banks, building societies, other deposit takers, insurance companies and certain investment firms to be undertaken by the Bank as the Prudential Regulation Authority (PRA), acting through the PRC. The PRC is comprised of the Governor of the Bank, the Deputy Governor for Financial Stability, the Deputy Governor for Prudential Regulation, the Deputy Governor for Markets and Banking, the Chief Executive of the Financial Conduct Authority, one member appointed by the Governor with the approval of the Chancellor and at least six members appointed by the Chancellor.

The PRA's objectives are:

- to promote the safety and soundness of all the firms it regulates. This involves firms having resilience against failure and avoiding harm resulting from disruption to the continuity of provision of financial services; and
- specifically for insurers, to contribute to the securing of an appropriate degree of protection for those who are, or may become, policyholders.

### The Court of the Bank of England

The Bank of England is governed by a Board known as the Court, which includes the Governor, the four Deputy Governors and up to nine non-executive directors. The Crown appoints the non-executive directors for terms of up to four years, the Governor for an eight-year term and the Deputy Governors for five-year terms. The Chancellor nominates one of the non-executive directors to chair Court. The requirement for there to be a Court of the Bank of England, and much of the detail regarding its powers and responsibilities, is contained within the Bank of England Act 1998.

The Court is required by the Act to manage the Bank's affairs, other than the formulation of monetary policy. It must determine the Bank's objectives (including objectives for financial management) and strategy, to ensure the effective discharge of the Bank's functions and, subject to that, to ensure the most efficient use of the Bank's resources.

The Court approves the Bank's budget, and monitors outturns against that budget. It is also responsible for agreeing the Bank's dividend, treasury management and risk management policies, appointments and remuneration.

The Bank of England Act 1998 places great emphasis on accountability and transparency, in the context both of the monetary policy process and financial stability, and of the Bank's operations and finances. The Court is responsible for producing the Bank's annual report and accounts for the Chancellor of the Exchequer to lay before Parliament. Members of Court may be called to give evidence about the Bank before Parliamentary Committees. Through its oversight functions, Court keeps under review the Bank's performance of its statutory and other objectives.

# Appendix II

## The 7 Principles of Public Life

The 7 principles of public life apply to anyone who works as a public office-holder. This includes people who are elected or appointed to public office, nationally and locally. The principles also apply to all those in other sectors that deliver public services. They were first set out by Lord Nolan in 1995 and they are included in the [Ministerial Code](#).

- 1. Selflessness**  
Holders of public office should act solely in terms of the public interest.
- 2. Integrity**  
Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.
- 3. Objectivity**  
Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
- 4. Accountability**  
Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.
- 5. Openness**  
Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.
- 6. Honesty**  
Holders of public office should be truthful.
- 7. Leadership**  
Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

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<sup>1</sup> The Civil Service, local government, the police, the courts and probation services, non-departmental public bodies, health, education, social and care services.

# Appendix III

## HM Treasury Public Appointments: Privacy Notice

Public appointments are generally ministerial appointments to the board of a public body or advisory committee and HM Treasury advertises its public appointments on the Cabinet Office's [Public Appointments website](#). For the purposes of the UK General Data Protection Regulation (UK GDPR), this means that HM Treasury and the Cabinet Office are considered joint data controllers for any personal data processed for HM Treasury's public appointments advertised on the public appointments website.

The purpose of this notice is to set out how HM Treasury uses personal data and special category data for the purpose of public appointments and explains your rights under the UK GDPR.

### 1. Data subject categories

The personal data to be processed for this activity relate to individuals applying for a Treasury public appointment which has been advertised on the Cabinet Office's public appointments website.

### 2. Data categories

In most cases, the following personal data will be collected for the purposes of your application:

- name, address, telephone number and email address
- date of birth
- curriculum vitae and any covering letter
- employment references
- employment history and qualifications
- other background information relevant to your application including sift and interview assessments made by the advisory assessment panel
- right to work documentation (where necessary)
- any political activity
- details of any public appointments held
- alongside your own conflicts of interest and declaration of relevant interests, this may also include information relating to your conduct or professional capacity gathered as part of departments conducting appropriate checks on information appearing in the public domain

This list of data categories is not exhaustive and may vary, depending on the appointment you are applying for and what data you supply to us as part of your application.

### 3. Purpose of processing

Your personal data will be processed for the purpose of considering your application for a public appointment or reappointment in accordance with the [Governance Code on Public Appointments](#) published by the Cabinet Office.

### 4. Lawful basis for processing personal data

Personal data processed for the purpose of a public appointment or reappointment complies with Article 6(1)(e) of the UK GDPR in that it is necessary for the performance of a task carried out in the public interest. This public task is that of ensuring the suitability of those applying for public appointments.

### 5. Special category data

We are responsible for monitoring the diversity of our public appointments by assessing any diversity data collected as part of applications. This diversity data may include your:

- race or ethnicity
- religious beliefs
- sexual orientation
- sex/gender
- political beliefs
- disability information (where applicable)

We may also ask you to supply us with any relevant health information where this may be needed to make reasonable adjustments to facilitate your access to offices and participation at events.

## **6. Lawful basis for processing special category data**

Where we process special category data (as defined in Article 9(1) of the UK GDPR), it is for reasons of substantial public interest (under Article 9(2)(g) of the UK GDPR) and in accordance with the requirements set out in section 6(2)(b) of Part 2 of Schedule 1 to the Data Protection Act 2018 (i.e., for the exercise of a function of the Crown, a Minister of the Crown, or a government department).

## **7. Recipients of your personal data and special category data**

Data appearing in applications made via the Cabinet Office's public appointments website, will be available to the Cabinet Office (as site owners). It will also be available to the Prime Minister's Office as they have a role in Public Appointment work, the relevant recruiting body, and HM Treasury as the advertising department.

Applications are only seen by HM Treasury staff and/or those of organisations working on our behalf, who have a business need to see them. Where it is necessary for us to use third parties to process applications on our behalf, activities they may undertake will include (but will not be limited to):

- processing your application
- advising you of the outcome of your application
- arranging interviews for successful candidates
- equality and diversity monitoring
- vetting

We may also need to share your data with the Office of the Commissioner for Public Appointments (OCPA) for the purpose of ensuring that our appointment practices are fair, open, made on merit and encourage a diverse range of candidates. How the Commissioner uses your personal data is set out here: <https://publicappointmentscommissioner.independent.gov.uk/privacy-andcookies-policy/>

Others with whom we may need to share your personal data will vary, depending on the nature of the position being applied for. They may include:

- The Prime Minister's Office
- Prime Minister's Appointment Unit
- Cabinet Office
- The recruiting body
- The Royal Household (where applicable for Crown appointments)
- The Ministry of Justice (for some Crown appointments)
- HM Revenue and Customs for the purpose of vetting
- The organisation responsible for base line security checks.
- The Office of the Commissioner for Public Appointments
- Government ministers and officials involved in public appointment work

The legal basis for the sharing of this data with these relevant organisations is the same as paragraphs 4 and 6 (above) and is in line with the Governance Code for Public Appointments.

## **8. Retention**

HM Treasury is required to keep information provided in support of applications in order for us to complete the appointment process, satisfy the purposes of audit and to facilitate onboarding should your application be successful.

The data will only be visible to HM Treasury, Cabinet Office, and other relevant departments' officials. Some of this data will also be available to other individuals involved in the recruitment process, including Advisory Assessment Panel members, members of the Commissioner for Public Appointments team and our IT providers.

### **Unsuccessful applicants**

If your application is unsuccessful, the Treasury and the recruiting body will keep your application on file for 2 years following the announcement of the successful appointment. This is to allow the Treasury to; provide any requested feedback, satisfy complaints or legal challenge and provide evidence for audit purposes. After that time your CV, letter of application, declaration of conflicts, political activity and diversity form will be destroyed. This will include all contact details that we hold for you, unless you have indicated that you would like your name to be kept on file for future public appointment opportunities.

## Successful applicants

If your application is successful, the Treasury and the recruiting body will keep your application on file for the duration of your role plus 2 years. After that time your CV, letter of application, declaration of conflicts, political activity and diversity form will be destroyed. This will include all contact details that we hold, unless you have indicated that you would like your name to be kept on file for future public appointment opportunities. You may expect to receive further privacy notices as part of the onboarding process from the body that you are appointed to.

Where we share information with Ministers' Offices for the purposes of the public appointments process, HM Treasury will retain this information for a period of 20 years, but this will not include personal contact details.

## 9. Your data protection rights

You have the right to request:

- information about how your personal data are being processed and to
- request a copy of that personal data
- that any inaccuracies in your personal data are rectified without delay
- that your personal data are erased if there is no longer a justification for them to be processed
- in certain circumstances, for the processing of your personal data to be restricted e.g., where accuracy is contested

## 10. HM Treasury contact details

For general queries relating to the processing of your personal data for the purposes of your public appointment application, contact: [PublicAppointments-HMT@hmtreasury.gov.uk](mailto:PublicAppointments-HMT@hmtreasury.gov.uk)

## 11. How to submit a Data Subject Access Request (DSAR)

To request access to personal data that HM Treasury holds about you, contact:

HM Treasury Information Rights Unit  
Ground Orange  
1 Horse Guards Road  
London  
SW1A 2HQ  
[dsar@hmtreasury.gov.uk](mailto:dsar@hmtreasury.gov.uk)

## 12. Complaints

If you have concerns that your personal data has been misused or mishandled, you can contact HM Treasury's Data Protection Officer (DPO) at:

HM Treasury Data Protection Officer  
Ground Orange  
1 Horse Guards Road  
London  
SW1A 2HQ  
[privacy@hmtreasury.gov.uk](mailto:privacy@hmtreasury.gov.uk)

If you are unhappy about Treasury's handling of your concerns, you may contact the UK Information Commissioner's Office at:

Information Commissioner's Office  
Wycliffe House  
Water Lane  
Wilmslow  
Cheshire  
SK9 5AF  
0303 123 1113  
[www.ico.org.uk](http://www.ico.org.uk)

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## About Korn Ferry

Korn Ferry is a global organizational consulting firm. We work with our clients to design optimal organization structures, roles, and responsibilities. We help them hire the right people and advise them on how to reward and motivate their workforce while developing professionals as they navigate and advance their careers.

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