



**BANK OF ENGLAND**

## **Candidate Brief**

Brief for the position of Chief Finance Officer

Bank of England

Application closing date – 6pm on Friday 15 March 2019



## Introduction to the Bank

As the country's central bank, the Bank of England sits right at the heart of the UK's economy and financial system. Its mission is to promote the good of the people of the United Kingdom by maintaining monetary and financial stability.

Sometimes known as 'the Old Lady of Threadneedle Street', the Bank was founded in 1694. The Bank's roles and functions have evolved and changed over its three-hundred year history. Since its foundation, it has been the Government's banker and, since the late 18th century, it has been banker to the banking system more generally – "the bankers' bank". The Bank also manages the UK's foreign exchange and gold reserves and operates the UK's Real Time Gross Settlement payment system, used for high value payments. The Bank is perhaps most visible to the general public through its banknotes, having had a monopoly on the issue of those notes in England and Wales since the middle of the 19<sup>th</sup> century.

In 1997, the Bank of England was given operational independence to pursue price stability. It is the responsibility of the Bank's Monetary Policy Committee (MPC) to take decisions – including on the level of Bank Rate and the scale of asset purchases – in order to meet the Government's inflation target of a 2 per cent increase in the Consumer Prices Index. The inflation target is set annually by the Chancellor of the Exchequer. The Bank implements the MPC's decisions through its financial market operations - it sets the interest rate and term of its lending to banks and other financial institutions, and it carries out the purchase of government and private sector assets. As such, the Bank has very close links with financial markets and institutions, through which it gathers intelligence that informs much of its work.

A set of major reforms were undertaken in 2013 that have added significantly to the Bank's responsibilities and enhanced the Bank's role in promoting Financial Stability. These changes included the establishment of both the Financial Policy Committee (FPC), responsible for taking action against threats to the resilience of the financial system, and the Prudential Regulation Authority (PRA), responsible for promoting the safety and soundness of individual banks and insurers. The Bank is overseen by the Court of Directors appointed by the Crown. The executive management is led by the Governor, supported by the Executive Team.

Royal Assent of the Bank of England and Financial Services Bill in May 2016, legally simplified the Bank's structure – formally and legally finalising the 'One Bank' aspiration. Specifically, each of the PRC, FPC and MPC are now established on the same basis, increasing connectivity and collaboration across committees and throughout the Bank more widely. The launch of the Inclusion Strategy, alongside continued positive progress towards longer term diversity targets, has enabled the Bank to continue to build a successful, diverse and talented workforce. Work in the pursuit of analytic excellence and outstanding execution has resulted in achievements being made across the research and data areas, together with the issuance of the new polymer £5 note. The launch of the educational website KnowledgeBank, the Future Forum, and enhanced digital and social media strategies have ensured the Bank continues to engage with new and varied audiences, maximising the openness and accountability of our actions.

The Bank employs around 4,000 staff and has a total gross expenditure of around £570 million per annum.



## Strategic Plan



### **One Bank – Maximising our impact by working together**

To achieve its mission, the Bank uses the central One Bank theme and its four pillars to guide everything it does.

There is a deep underlying connection between monetary and financial stability, which both ultimately underpin the public’s trust and confidence in their money and their ability to access it, critical to ensuring that we can all go about our day-to-day business.

Placing responsibility for microprudential supervision, macroprudential policy and monetary policy within the same organisation recognises this fundamental connection. It means that the Bank is better placed to deliver key economic benefits: stable inflation, economic growth, and the continuous provision of financial services.

To reap maximum benefit from these changes, the Bank fully integrates the skills and resources it possesses across the institution. We are ‘One Bank’; every part of which driving together to execute our mission to promote the good of the British people. One Bank means a strong common culture, built from the best of all parts of the Bank, which brings together the whole of the organisation to support each policymaker and every policy decision better.



'One Mission, One Bank' relies on four commitments, or pillars:

▪ **Diverse and Talented**

The Bank wants to attract and inspire the best people to public service, reflecting the diversity in the United Kingdom. This means valuing diverse ideas and open debate, while developing and empowering people at all levels to take initiative and make things happen.

▪ **Analytic excellence**

The Bank wants to be at the forefront of research and analysis as a necessary part of its policies and actions. This means making creative use of the best analytical tools and data sources to tackle the most challenging and relevant issues.

▪ **Outstanding execution**

The Bank wants its decisions and actions to have influence and impact, both at home and abroad. To achieve that, co-ordinated, effective and inclusive policy decisions are needed, delivered with reliable, expert execution.

▪ **Open and accountable**

The legal framework governing the Bank of England confers greater statutory duties on the institution than at any time in its history. Ultimately, these powers are only sustainable if the Bank earns and protects the democratic legitimacy to perform the functions given to it by Government. The Bank wants to be understood, credible and trusted, so that its policies are effective. To support that, the Bank needs to be transparent, independent and accountable to stakeholders.

The Bank's three year Strategic Plan was completed in March 2017.

## **Vision 2020**

We launched our new strategic plan, 'Vision 2020', in May 2017. It has two main elements: how we work and how we communicate.

• **How we communicate**

Communication at a central bank is an important policy tool. Our policies have maximum impact when they are heard and understood. So good communication links directly back to the successful delivery of our mission.

On external communications, we will try to attract a wider audience with a targeted, creative approach to content and analysis, including key publications and speeches. The most successful communication is also two-way – as much about listening as speaking. This will be supported by a step-change in how we communicate internally. We will tailor our internal communications content for different audiences to support better policy formulation and decision-making. Our decision-making process will be as effective and empowering as possible.

• **How we work**

We all do our best work when we work with the right people, with the right skills, on what matters most – supported by the right technology. By 2020, working across boundaries will be the norm – bringing together people with deep expertise to solve problems. And we will invest in our managers along the way so they can support and unlock the potential of all our people. 'How we work' means better understanding our priorities and skills so we can match our expertise to where it is needed. And it means having the right technology to smooth the path.



## Responsibilities

Many of the Bank's responsibilities are conferred by legislation on expert bodies. These are:

### **The Monetary Policy Committee (MPC)**

It is the responsibility of the MPC to take decisions – including on the level of Bank Rate and the scale of asset purchases – in order to meet the Government's inflation target of a 2 per cent increase in the Consumer Prices Index. The MPC is made up of nine members – the Governor, the three Deputy Governors for Monetary Policy, Financial Stability and Markets & Banking, the Bank's Chief Economist and four external members appointed directly by the Chancellor. The appointment of external members is designed to ensure that the MPC benefits from thinking and expertise in addition to that gained inside the Bank of England.

Members serve fixed terms after which they may be replaced or re-appointed.

Each member of the MPC has expertise in the field of economics and monetary policy. Members do not represent individual groups or areas, they are independent. The MPC's decision is made on the basis of one-person, one vote, and each member of the Committee votes in a way they believe is consistent with meeting the inflation target, consistent with the MPC's remit. It is not based on a consensus of opinion.

A representative from the Treasury also sits with the Committee at its meetings. The Treasury representative can discuss policy issues but does not vote. The purpose is to ensure that the MPC is fully briefed on fiscal policy developments and other aspects of the Government's economic policies, and that the Chancellor is kept fully informed about monetary policy.

As of September 2016, the meetings changed from monthly to eight times a year. These changes follow the recommendations of the Warsh Review, and are set out in the Bank of England and Financial Services Act 2016.

### **The Financial Policy Committee (FPC)**

The Financial Services Act 2012 brought major reforms to create a UK regulatory framework which is focused on the issues that matter and better equipped to deliver financial stability.

On 1 April 2013 the new legislation established an independent Financial Policy Committee (FPC) at the Bank. The Committee is charged with a primary objective of 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 has a secondary objective to support the economic policy of the Government.

The Committee publishes a record of its formal policy meetings, and is responsible for the Bank's bi-annual *Financial Stability Report*.

The FPC members are the Governor, the four Deputy Governors, the Bank's Executive Director for Financial Stability Strategy and Risk, the Chief Executive of the Financial Conduct Authority (FCA), five other external members appointed by the Chancellor, and a non-voting member representing the Treasury.



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## **The Prudential Regulation Authority (PRA)**

Prudential regulation of banks, building societies, other deposit takers, insurance companies and certain investment firms is undertaken by the PRA, headed by the Deputy Governor for Prudential Regulation. Under the Bank of England and Financial Services Act 2016, the PRA became part of the Bank, governed by a Prudential Regulation Committee chaired by the Governor and including the Deputy Governors for Prudential Regulation, Financial Stability and Markets & Banking, together with at least six non-executive members appointed by the Chancellor and a further Bank official appointed by the Governor.

The PRA's objectives are:

- a general objective to promote the safety and soundness of the firms it regulates;
- an objective specific to insurance firms, to contribute to the securing of an appropriate degree of protection for those who are or may become insurance policyholders; and
- a secondary objective to facilitate effective competition.



## The Court of the Bank of England

The Bank's Court of Directors acts as a unitary board, setting the organisation's strategy and budget and taking key decisions on resourcing and appointments. Required to meet a minimum seven times per year, it has five executive members from the Bank and up to nine non-executive members. All members of Court are appointed by the Crown. One of the non-executive members is selected by the Chancellor to chair Court.

The Governor serves on Court for a period of eight years, the Deputy Governors for five years, and the non-executive members for up to four years. Current Court members are:-

- Bradley Fried – Chair of Court
- Mark Carney – Governor
- Ben Broadbent – Deputy Governor, Monetary Policy
- Sir Jon Cunliffe – Deputy Governor, Financial Stability
- Sir Dave Ramsden – Deputy Governor, Markets & Banking
- Sam Woods – Deputy Governor, Prudential Regulation & Chief Executive of the Prudential Regulation Authority
- Anne Glover – Non-Executive Director, Court of Directors
- Diana 'Dido' Harding – Member, House of Lords
- Diana Noble – Non-Executive Director, Court of Directors
- Dave Prentis – General Secretary of UNISON
- Don Robert – Chairman, Experian plc
- Dorothy Thompson – Non-Executive Director, Court of Directors



## Structure and Senior Management

The Governor, Deputy Governors, Chief Operating Officer and Executive Directors of the Bank form the Executive Team which is responsible for the executive management of the Bank.

As shown in the organogram in Appendix I, the Deputy Governors and the Chief Operating Officer (who has status and remuneration equivalent to the four Deputy Governors) each have a number of directorates which report directly to them. In turn those directorates are led by either an Executive Director, or Director.

The Executive Team represent the Bank externally, including domestically through appearances in front of the Treasury Committee and internationally through membership of key international committees and groupings. They regularly speak publicly on issues covering the overall economy, monetary policy and financial stability.

The current Governors are as follows:

- **Governor** – Mark Carney
- **Deputy Governor, Monetary Policy** - Dr Ben Broadbent
- **Deputy Governor, Financial Stability** – Sir Jon Cunliffe
- **Deputy Governor, Prudential Regulation; CEO of the PRA** – Sam Woods
- **Deputy Governor, Markets and Banking** – Sir Dave Ramsden
- **Deputy Governor, Chief Operating Officer** – Joanne Place

The current Executive Directors are as follows:

- **Executive Director, Financial Markets Infrastructure** - David Bailey
- **Executive Director, Legal Directorate** - Sonya Branch
- **Executive Director, Financial Stability Strategy & Risk** - Alex Brazier
- **Executive Director, International Banks Supervision** - Sarah Breeden
- **Executive Director, Risk** - Stephen Brown
- **Executive Director for Banking, Payments and Innovation** - Victoria Cleland
- **Executive Director, Human Resources** – Jonathan Curtiss
- **Executive Director, Technology** – Rob Elsey
- **Secretary of the Bank** - John Footman
- **Chief Economist and Executive Director, Monetary Analysis & Statistics** - Andy Haldane
- **Executive Director, Markets** - Andrew Hauser
- **Executive Director, Resolutions** - Sasha Mills
- **Deputy CEO of the PRA and Executive Director, Regulatory Operations and Supervisory Risk Specialists** - Lyndon Nelson
- **Executive Director, Human Resources** - Lea Paterson
- **Executive Director, Finance, Change and Value** - Vacant (Chief Finance Officer)
- **Executive Director, UK Deposit Takers** - James Proudman
- **Executive Director, Communications** - Gareth Ramsay
- **Executive Director, Insurance Supervision** - David Rule
- **Executive Director, Prudential Policy** - Victoria Saporta





## Culture and values

Our culture is based around the five key values that support the strategic plan:

- Collaborative
- Inclusive
- Empowering
- Decisive
- Open

The Bank is wholly committed to diversity and equality for all staff. Its reputation is built on the quality and professionalism of its people, so creating a truly diverse environment with no barriers to achievement is integral to its business strategy. All staff receive diversity training. The Bank employs people with an extremely diverse range of skills, including security staff, clerical staff, HR, finance and IT professionals, legal experts, economists and, supervisors who oversee banks, insurance companies and financial market infrastructures. There are currently around 70 different nationalities within the Bank.

Across this community is a real feeling of common purpose and a commitment to public service. The Bank is a collegiate organisation; its people work closely together and in close partnership with others in the public and private sectors. The culture is supportive and welcoming. Staff benefit from on-site canteen, health and dental unit, staff gym and from flexible working arrangements. The Bank is committed to being open to as wide a range of people as possible and its diversity strategy is sponsored at Executive Team level. It is also active in supporting the local community, including by granting staff paid leave to perform voluntary and civic duties.

## More about the Bank of England

Extensive information about the Bank is available from the website:

<http://www.bankofengland.co.uk>



## Chief Finance Officer Profile

### **Role Description**

Finance is at the heart of the Bank and it plays a critical role in protecting the Bank's financial position and reputation, promoting effective controls and driving timely decision making and resource management. Because of this the Chief Finance Officer role is critical to the delivery of the Bank's Mission. We are looking to recruit an experienced finance lead who will provide thought leadership and challenge as part of our executive team.

Reporting to the Chief Operating Officer, you will take accountability for all financial performance, measurement and reporting. You will lead a high quality, dynamic Finance directorate (of c.50) which is viewed as a proactive, respected and value-adding thought partner to the entire organisation; enabling excellent decision-making with a full understanding of financial implications. The role combines excellence in financial reporting, forecasting and budgeting with a hands-on element to support the Bank in delivering cost and headcount control and providing continuous cost control challenge. Alongside this you will align outcomes to prioritisation decisions. You will contribute to the successful execution of the Bank's aims and objectives by ensuring it has an appropriate financial platform for the challenges facing an organisation of more than 4000 staff, with annual expenditure of £570mn.

The Finance directorate is about to undergo considerable change as part of a wider transformation of our central services functions. As part of the leadership team, you will shape the future operating model for our central services and lead the implementation of a new finance system, including establishing new processes and controls.

You will be a member of the Bank's Executive, Audit and Risk Committee, Investment board, and will present regularly to the Governors and Court (board).

### **Capabilities and Experience**

You will have (in no particular order):

1. Experience of leading a Finance function, ideally within a banking organisation, with detailed budget oversight (particularly in a cost constrained environment).
2. Strong technical accounting skills, ACA/CA qualified, together with the ability to communicate clearly critical accounting, budgeting and financial performance issues with non-technical experts.
3. Experience of leading and transforming a finance function including, ideally, the implementation of a new finance system.
4. Experience of setting and implementing effective financial management and controls in a changing environment.
5. Proven ability to create constructive, challenging budgeting frameworks and to work successfully with diverse divisions to achieve cost effective operations across an institution.
6. A track record of outstanding execution and delivery/sponsoring continuous improvement whether through people, processes or systems.



7. Previous experience in tracking organisational performance against external best practice to inform strategies for improved performance where appropriate.
8. Strong commercial background enabling a strong partnership between the finance function and other divisions within the Bank.
9. Exceptional stakeholder management skills with a track record of partnering at board level to provide challenge and thought leadership.
10. Experience of playing a critical role in developing and driving the strategic focus of an organisation.
11. Excellent written communication, presentation and analytical skills.
12. A demonstrable understanding of the role of the Bank of England and how the Chief Finance Officer supports its aims.
13. Demonstrable commitment to supporting diversity and inclusion.
14. A track record of ensuring control and governance requirements are met.

At the Bank, we continue to build an inclusive culture where everyone can be their whole selves and produce their best work. Our focus on inclusion is intended to build greater diversity in order to reflect the society we serve and be an employer of choice. Applications from those who wish to work flexibly are welcome.



## Remuneration and conditions of employment

### **Your total remuneration is made up of three parts;**

- Your annual salary (up to £190,000)
- Your flexible benefits allowance
- A core benefits package

Salaries are reviewed annually with discretionary (non-contractual) cash performance award payments awarded to good performers.

The Core Benefits Package is as follows;

- Membership of the Bank of England Pension Fund (non-contributory, career average scheme)
- 25 Days Annual Leave
- Life Assurance of 4x Pensionable Salary
- Private Medical Insurance
- Permanent Health Insurance
- An interest-free Season Ticket Loan

Options available to purchase with flexible benefits fund (7% of basic salary)

- Additional leave – up to 12 days (agreed for 2019)
- Additional Private Medical Insurance for your partner and/or children
- Childcare Vouchers
- Critical Illness Insurance
- Cycle to Work
- Dental Insurance
- Gym membership
- Income Protection
- Personal Accident Insurance
- Spouse/Partner Life Assurance
- Supplementary Pension Plan
- Taste Card London
- Travel Insurance



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## How to Apply

Applications must be received by 6pm on Friday 15 March 2019.

Applications must consist of:

- a full CV (including nationality, education and professional qualifications, career history, and relevant achievements and responsibilities)
- a covering letter setting out your approach to the job, and why you are qualified to do it
- details of two people who can be contacted as referees (this will only be done if you are shortlisted for the role)

Applications should be emailed to [app4@egonzehnder.com](mailto:app4@egonzehnder.com).

If you are unable to submit your application by email or need any further assistance, including information in other formats, please contact:

Katie Rawling  
Egon Zehnder  
Nova South  
160 Victoria Street  
London SW1E 5LB  
UK  
Tel: +44(0)20 7943 1944

Your application will be acknowledged within 48 hours of receipt.



## **Diversity and equality of opportunity**

The Bank of England is committed to ensuring a truly diverse workforce. All disabled applicants will be guaranteed an interview, provided they meet the minimum criteria for the post.

## **Ethics**

Candidates must also confirm that they understand the standards of probity required by public appointees outlined in the “Seven Principles of Public Life” set out by the Committee on Standards in Public Life (see Appendix).

## **Conflict of interest**

As an appointee to a public body you may find that your/your close family’s business or personal (financial) interests could become matters of public interest. It is therefore in the interests of both you and the Bank of England to declare any business or personal interests that may be perceived to be a potential conflict of interest in relation to this appointment. Further details of what constitutes a conflict of interest and our commitment to how we work at the Bank of England can be found in Our Code:

<https://www.bankofengland.co.uk/-/media/boe/files/about/human-resources/ourcode.pdf>

The successful candidate will be subject to the Bank of England’s Personal Financial Dealing Rules, a copy of which will be provided to those candidates invited to interview.

## **References**

If you are invited for interview you will be asked for the names of two referees as part of your application. Referees must be people who know you in a capacity to comment on your suitability for the appointment for which you have applied and will be expected to have authoritative and personal knowledge of your achievements. References will only be taken up for short listed candidates.

## **Expenses**

If you are invited for interview, reasonable and necessary travel expenses will be reimbursed.

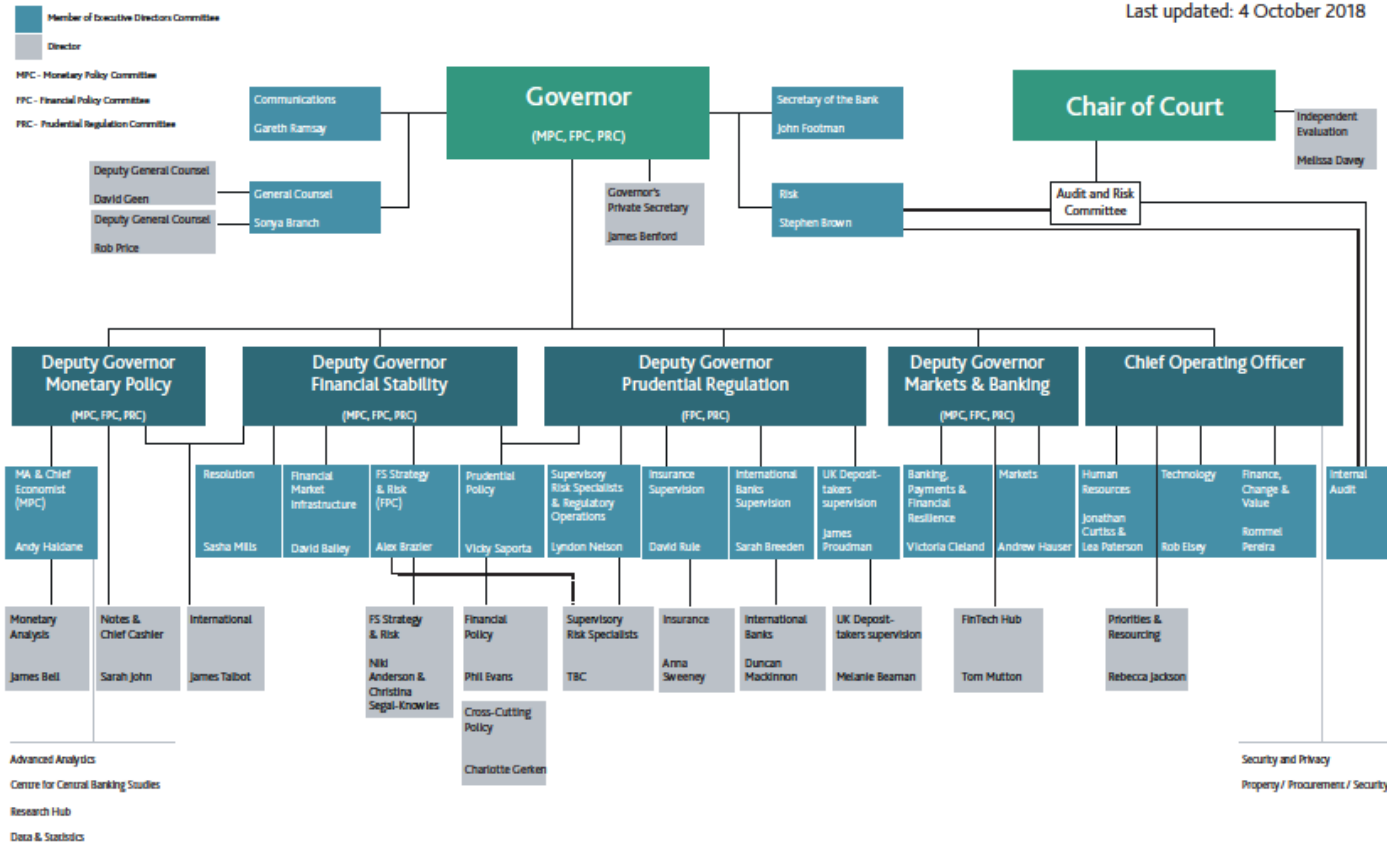
## **Security Clearance**

Appropriate security clearance is required for the role. The security clearance process requires an understanding of the individual’s personal and financial background to ensure they can undertake the role they are being recruited for. The checks are wide-ranging and include a credit check, police checks and counter terrorism checks. Further details of this can be provided on request.



# Appendix I – Organisation Chart

Last updated: 4 October 2018





## Appendix II - The seven principles of public life

All candidates for public appointments are expected to demonstrate a commitment to, and an understanding of, the value and importance of the principles of public service. The seven principles of public life are:

### **Selflessness**

Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other benefits for themselves, their family or their friends.

### **Integrity**

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.

### **Objectivity**

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

### **Accountability**

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

### **Openness**

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands it.

### **Honesty**

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

### **Leadership**

Holders of public office should promote and support these principles by leadership and example.