



House of Commons
Treasury Committee

The appointment of Carolyn Wilkins to the Financial Policy Committee

Third Report of Session 2021–22

*Report, together with formal minutes relating
to the report*

*Ordered by the House of Commons
to be printed 9 June 2021*

HC 307

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The Treasury Committee

The Treasury Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of HM Treasury, HM Revenue and Customs and associated public bodies.

Current Membership

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[Rushanara Ali MP](#) (*Labour, Bethnal Green and Bow*)

[Steve Baker MP](#) (*Conservative, Wycombe*)

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Powers

The committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No. 152. These are available on the internet via www.parliament.uk.

Publication

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Committee reports are published on the Committee's website at www.parliament.uk/treascom/ and in print by Order of the House.

Committee staff

The current staff of the Committee are Jack Dent (Second Clerk), Rachel Edwards (on secondment from the Bank of England), Kenneth Fox (Clerk), Dan Lee (Senior Economist), Cat Melvin (on secondment from the Financial Conduct Authority), Aruni Muthumala (Senior Economist), Moyo Oyelade (on secondment from the Bank of England), Matt Panteli (Senior Media and Policy Officer), Tony Verran (on secondment from HM Revenue & Customs), Adam Wales (Chief Policy Adviser), Maciej Wenerski (Committee Operations Manager), Jesse Williams (Committee Operations Officer), and Marcus Wilton (Senior Economist).

Contacts

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You can follow the Committee on Twitter using [@commonstreasury](https://twitter.com/commonstreasury).

Contents

Introduction	3
1 The appointment of Carolyn Wilkins	4
Background on Carolyn Wilkins	4
Our evidence	4
Conclusions	5
Formal minutes	6
Witnesses	7
Published written evidence	7
List of Reports from the Committee during the current Parliament	8

Introduction

1. Carolyn Wilkins was appointed as an external member of the Financial Policy Committee (FPC) by the Chancellor on 8 April and is due to start the role on 21 June.¹
2. We took evidence from Ms Wilkins on 9 June 2021. She provided a full CV and answered our questionnaire prior to giving oral evidence. We thank her for her evidence.
3. In this Report, we have considered the suitability of Ms Wilkins against two criteria—the appropriate personal independence and professional competence to undertake the role of an external member of the FPC.

1 [HM Treasury, 'Carolyn Wilkins appointed to the Financial Policy Committee', 8 April 2021](#)

1 The appointment of Carolyn Wilkins

Background on Carolyn Wilkins

4. Carolyn Wilkins has been appointed for a three-year term starting on 21 June 2021.
5. Ms Wilkins is currently a board director at Intact Financial Corporation and a Canadian delegate to the G7 Panel on Economic Resilience. From 2001 to 2020, she held a number of roles at the Bank of Canada, including Senior Deputy Governor from 2014 to 2020.

Our evidence

6. In oral evidence, we questioned Ms Wilkins about her personal suitability for the post and the outlook for UK financial stability. Topics covered during the session included:
 - the lessons about financial stability she has learned from her experiences at the Bank of Canada and how these might be applied in the UK;
 - the risks posed by inflation;
 - how she will manage her conflicts of interest;
 - the impact of lowering the countercyclical capital buffer during the coronavirus pandemic, and the lessons learned about banks' willingness to use their capital buffers;
 - the risks posed by household and corporate debt in the aftermath of the pandemic;
 - how the Bank of England should approach stress testing in the aftermath of the pandemic;
 - the risks posed by the growth of non-bank financial intermediation, including the lessons learned from the 'dash for cash' of March 2020, and the lessons learned the collapses of Greensill Capital and Archegos Capital Management;
 - how well the post-financial crisis international regulatory regime and the Financial Stability Board has performed during the pandemic;
 - her views on Bitcoin and whether it can fulfil the functions of money, and the prospects for crypto-assets and blockchain technology more generally;
 - the case for a central bank digital currency and the potential impact on commercial banks; and
 - the roles of the FPC and the Bank of England in the transition to a net zero economy.

Conclusions

7. We are satisfied that Carolyn Wilkins has the appropriate professional competence and personal independence to undertake the role of external member of the Financial Policy Committee. We wish her every success.

Formal minutes

Wednesday 9 June 2021

Members present:

Mel Stride, in the Chair

Rushanara Ali	Dame Angela Eagle
Mr Steve Baker	Julie Marson
Anthony Browne	Alison Thewliss

Draft Report (*The appointment of Carolyn Wilkins to the Financial Policy Committee*) proposed by the Chair, brought up and read.

Ordered, That the Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 7 read and agreed to.

Resolved, That the Report be the Third Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned until Monday 14 June at 3.00 pm.]

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Wednesday 09 June 2021

Carolyn Wilkins, appointee, external member of the Financial Policy Committee.

Published written evidence

The following written evidence was received and can be viewed on the inquiry page of the Committee's website.

- 1 Carolyn Wilkins' CV ([ACW0002](#))
- 2 Carolyn Wilkins' appointment hearing questionnaire ([ACW0001](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the [publications page](#) of the Committee's website.

Session 2021–22

Number	Title	Reference
1st	Tax after coronavirus: the Government's response	HC 144

Session 2019–21

Number	Title	Reference
1st	Appointment of Andrew Bailey as Governor of the Bank of England	HC 122
2nd	Economic impact of coronavirus: Gaps in support	HC 454
3rd	Appointment of Richard Hughes as the Chair of the Office for Budget Responsibility	HC 618
4th	Appointment of Jonathan Hall to the Financial Policy Committee	HC 621
5th	Reappointment of Andy Haldane to the Monetary Policy Committee	HC 620
6th	Reappointment of Professor Silvana Tenreyro to the Monetary Policy Committee	HC 619
7th	Appointment of Nikhil Rathi as Chief Executive of the Financial Conduct Authority	HC 622
8th	Economic impact of coronavirus: the challenges of recovery	HC 271
9th	The appointment of John Taylor to the Prudential Regulation Committee	HC 1132
10th	The appointment of Antony Jenkins to the Prudential Regulation Committee	HC 1157
11th	Economic impact of coronavirus: gaps in support and economic analysis	HC 882
12th	Tax after coronavirus	HC 664
13th	Net zero and the Future of Green Finance	HC 147
1st Special	IT failures in the financial services sector: Government and Regulators Responses to the Committee's Second Report of Session 2019	HC 114
2nd Special	Economic Crime: Consumer View: Government and Regulators' Responses to Committee's Third Report of Session 2019	HC 91
3rd Special	Economic impact of coronavirus: Gaps in support: Government Response to the Committee's Second Report	HC 662

Number	Title	Reference
4th Special	Economic impact of coronavirus: Gaps in support: Further Government Response	HC 749
5th Special	Economic impact of coronavirus: the challenges of recovery: Government Response to the Committee's Eighth Report	HC 999
6th Special	Economic impact of coronavirus: gaps in support and economic analysis: Government Response to the Committee's Eleventh Report	HC 1383