



BANK OF ENGLAND

Mr James Bern
Via email to:
james.j.bern@gmail.com

Public Information and Enquiries Group
Public Communications and Information Division
T 020 7601 4878
F 020 7601 5460
enquiries@bankofengland.co.uk

24 October 2011

**Please quote ref. FF 25898 on all
correspondence**

Dear Mr Bern

Thank you for your further email dated 26 September in reply to Wendy Galvin's response of 23 September. You requested the following information under the Freedom of Information Act 2000 ('Fol Act'):

'1. ...the amount of fine ounces of gold held on behalf of the UK government excluding gold swapped or on loan?';

'2. ...a response to questions 2 and 3' of your email of 5 September, even though the Bank 'may not be required to....as it may be "the provision of private banking services and related serves";

'3. ...how you interpret the phrase "private banking services" in the act'.

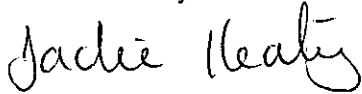
In relation to question 1, insofar as the Bank, in its capacity as Agent for HMT, holds any information relevant to your request, this is exempt from disclosure under section 29(1)(b) of the Fol Act on the grounds that disclosure of such information would be likely to prejudice the UK Government's financial interests. Section 29(1)(b) is subject to a public interest assessment, and whilst we recognise that there is a public interest in releasing information relating to the UK's reserves, we consider that there is a significant public interest in maintaining the exemption, having regard in particular to the potential market sensitive nature of the information in question and its continuing relevance to decisions regarding the management of the UK's reserves. To illustrate that point, the Bank publishes the amount of gold held in the EEA including gold swapped / on loan, but does not publish a figure *excluding* gold swapped / on loan. If we were to reveal how much gold has been swapped or is on loan on any given day in response to requests such as this, then that would allow enquirers to find out what gold transactions have been taking place. Release of this potentially market sensitive information day by day could be detrimental to the Government's financial interests. Having regard to (among other things) the extent to which information on the UK's reserves including gold is already publicly available, we consider that the public interest in maintaining the exemption outweighs that in disclosing the information.

Nevertheless, in the interests of transparency, HMT's EEA Accounts provide some details of gold trades undertaken during the course of the EEA's financial year (see note 10 on page 31 of the report at www.hm-treasury.gov.uk/d/eea_accounts190711.pdf for the most recent information).

In answer to questions 2 and 3, the Fol Act does not apply to information which the Bank may hold in relation to private banking services, in other-words, in relation to the Bank's relationship with any of its banking customers other than HM Government. Essentially, this is because the Bank (like other banks) owes a duty of confidentiality to its customers.

Therefore, any information which the Bank may hold on behalf of its private customers, other than in relation to HM Government falls outside the scope of the Fol Act. Further information about Banking Services can be viewed at www.bankofengland.co.uk/about/structure/index.htm#banking.

Yours sincerely



Jackie Keating
Public Information and Enquiries Group

Your right to complain under the FoI Act

If you are unhappy with the Bank's response, and insofar as it relates to information which is not excluded under the FoI Act, you may ask for that decision to be reviewed internally. In order to do so, please set out the grounds for your appeal and send it to Wendy Galvin, PIEG (HO-M), Public Communications & Information Division, Bank of England, Threadneedle Street, London, EC2R 8AH or by email to enquiries@bankofengland.co.uk for the attention of Wendy Galvin.

If you are not content with the outcome of the internal review, you have the right to apply directly to the Information Commissioner for a decision. The Information Commissioner can be contacted at The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF.