



BANK OF ENGLAND

The Rt Hon George Osborne
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London
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PAUL TUCKER
Deputy Governor

14 June 2013

Dear Chancellor

I am grateful to you for agreeing that I should step down slightly before the end of my term as a Deputy Governor of the Bank of England but after I have been able to provide support to the new Governor in his first few months in office. As a member of the G20 Financial Stability Board, I have worked closely with Mark Carney for many years and I look forward to supporting him as he arrives at the Bank.

I have been truly honoured by the trust placed in me by you and your predecessors, first in appointing me to the Monetary Policy Committee, then, as a Deputy Governor, to the Financial Policy Committee and, most recently, to the Board of the new Prudential Regulation Authority. It has been a real privilege to serve under four Governors of the Bank and, supported by both the Bank and the Bank for International Settlements, to have been able to contribute to the international central banking community.

I am immensely proud to have had the opportunity to make a contribution to public policy over the past three decades. I believe that, through the challenges of those years, the Bank of England's commitment to stability has been a force for good. I have been very lucky to have worked alongside, and to have had the support of, so many talented and committed colleagues. The Bank's integrity and independence have enabled it to champion the principle of sound money and to deliver reforms to our system of economic governance that will serve to promote the stability of the UK economy for the long term. My role in the international economic community has shown me very clearly the high regard for the Bank of England around the world. The Bank has been able to draw on that respect to lead some of the most important changes to the global financial system after the financial crisis.

It has been a great privilege to have worked on the introduction of the inflation-targeting framework and the MPC in the 1990s and, since 2010, to have taken a lead role in the design and delivery of reforms to the system of financial regulation in the UK: the creation of macroprudential regulation and, with the return of banking supervision to the Bank of England, a new approach to microprudential regulation of banks and insurance companies. The accountability entailed by these new roles has been welcome and right. Your recent reforms strengthen the development of the Bank of England as an institution that embodies the lessons of the past so as to ensure a more stable future.

Yours

Paul Tucker