



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Andrew Bailey, Governor
Bank of England
Threadneedle Street
London
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24th March 2022

Dear Andrew,

Thank you for your letter to the Chancellor of 24 March marking the close of the Covid Corporate Financing Facility (CCFF). He has asked me to respond on behalf of HM Treasury.

I am very pleased to hear that all commercial paper has been repaid and the taxpayer has not had to meet any losses through the indemnity provided by HM Treasury. I can certainly agree that it has been a successful outcome, and welcome the £60mn profit that HM Treasury will receive in due course. We will cancel the indemnity against the facility.

Part of what made the CCFF such a success was the speed at which it was set up, meaning companies could receive the liquidity support that they needed at pace.

I would like to take this opportunity to thank everyone involved at the Bank for the expert and efficient way in which you acted in setting up the facility, and for your hard work assessing the eligibility of hundreds of applications, and therefore ensuring that the taxpayer was exposed to an appropriate level of risk.

The CCFF has been an excellent example of collaboration between the Bank and HM Treasury during exceptional times, and I thank you for operating this facility as part of the successful response to the Covid-19 crisis.

With very best regards

John

JOHN GLEN MP