



**BANK OF ENGLAND**

# News release

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## **Statement by the Bank of England**

Sir John Gieve has decided he will leave the Bank next year once changes to the Bank's responsibilities have been made , including responsibility for a new Special Resolution Regime for failing banks.

Mervyn King, Governor of the Bank of England, said "I am grateful to John for his hard work and loyalty. In particular since the events of last summer, John has played a major role in delivering the new framework. I can understand why he does not want to assume the new position, but I am very glad he is staying on to see us through until the bill is law."

### Statement by Sir John Gieve

"In recent months I have been leading work in the Bank on a new and better framework for financial stability. I fully support the new proposals and, in particular, the enhanced role for the Bank of England.

The new legislation will change the role of the Bank and, within that, the Deputy Governor for financial stability including giving him the key role in dealing with failing banks. The legislation giving the Bank these new powers and responsibilities will come into place in Spring 2009.

Once the legislation is in place , building up the new capabilities in the Bank will require a long term commitment. It makes sense for someone else to take on this task who is prepared to commit himself to a full five year term. I have decided therefore to step down at that point. The Governor and Chancellor have both asked me to continue in the job of overseeing this reform process until then.

On current timing, the new position would begin in Spring 2009 which will be more than half way through my contract and will bring me to the end of a usual 3 year MPC term. I would not wish to serve another 5 year term at the Bank."