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Andrew Bailey
Governor of the Bank of England
Bank of England
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28 May 2021

Dear Governor,

I am writing regarding oral evidence provided to Parliament by Dominic Cummings, the former Chief Adviser to the Prime Minister.

On 26 May 2021, Mr Cummings told the Health and Social Care Committee and the Science and Technology Committee:

“It was the case that the Bank of England, the senior officials in the Treasury and senior officials in the Cabinet Office were saying, “We have to think about the consequences. If we do this lockdown, we will have to borrow huge amounts of money. What if the bond markets suddenly spike, go crazy and refuse to lend to us? We will then have to find emergency powers to tell the Bank of England to buy the debt etc, etc.” So there were conversations going on at the time about that possible problem—what if we have a financial crisis, a bond market crisis and sterling crisis on top of the whole health crisis? There were conversations about that and meetings with the Prime Minister, the Chancellor, the Cabinet Secretary and me to discuss it.”¹

During our oral evidence session on 18 May 2021, we asked you in what circumstances HM Treasury’s override powers might be used. In your answer, you said, “there has been no discussion at any point in time about using the override power in the COVID crisis” and “I am very glad that nobody has ever suggested it, certainly not in my hearing anyway.”²

I would be grateful if you would answer the following questions:

¹ [Q 1023](#)

² [Q 188](#)

1. **Were staff of the Bank of England involved in any meetings with Government officials on the use of “emergency powers” by HM Treasury to direct the Bank of England during the COVID-19 pandemic?**
2. **If so, when were you made aware of any such meetings?**
3. **What is your assessment of the evidence provided by Mr Cummings?**

Please could you respond by 4 June 2021.

Yours ever
Michael.

The Rt Hon. Lord Forsyth of Drumlean
Chair of the Economic Affairs Committee