Dr Mark Carney  
Governor, Bank of England  
Threadneedle Street  
London EC2R 8AH  

1 March 2014

Dear Mark,

The Committee has asked me to write to you about so-called 'lumpy deposits'—large sums that retail consumers or small businesses may occasionally need to keep temporarily in a bank account. Large sums that people receive, for example, after selling a house but before buying another, are not protected by the Financial Services Compensation Scheme above £85,000. There is an argument, on grounds of both equity and financial stability, that such sums should be protected.

What consideration has the Bank given to possible changes of policy to address the 'lumpy deposits' problem?

I will be placing this letter, and your reply, in the public domain.

Yours,

ANDREW TYRIE  
CHAIRMAN OF THE TREASURY COMMITTEE