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Deloitte reviews Bank of England's costs

by Kevin Reed

24 Oct 2013



AN EFFICIENCY REVIEW of the Bank of England is being led by Deloitte.

The Big Four firm has been hired as part of a strategic review at the bank, instigated by new governor Mark Carney, reports *Bloomberg*.

The value for money aspect of the review will look for budget savings across its operations. Bank of England COO Charlotte Hogg is leading the review - which also includes consultants McKinsey covering strategy. In the latest minutes on the bank's website, Hogg said she wanted an outcome where "choices" on resource allocation could be made. Each was selected following competitive

tendering process.

A bank spokesman said: "The Bank of England plays a central role in the UK economy and financial system, and influences developments in the global financial system. To ensure we can continue to fulfill our expanded set of responsibilities, the Bank has initiated a strategic review exercise to set out the priorities that will guide the organisation and frame the key initiatives we need to undertake in service of our mandate.

"The results of this review will guide our strategic investment decisions, working methods, and allocation of time and resources across our capabilities. The value for money review will review the efficiency of the bank's support division - central services. It is incumbent on the bank, as servants of the British public, to ensure that we are as effective and efficient as we can be."

Former Bank of England finance director Warwick Jones had previously indicated that IT costs had been higher than in the previous year, in part due to integrating the Prudential Regulation Authority.

A new FD at the bank was appointed earlier this month. Ralph Coates takes on the role having most recently served as FD of Barclays UK retail and business bank. The 40 year-old also spent four years as a senior manager at PwC.

Hogg said on his appointment: "I am delighted to announce the appointment of Ralph Coates as the Bank's new finance director. Ralph will bring a wealth of valuable knowledge and experience to the role and we look forward to welcoming him to the bank."

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