



Tagging Info

**Fitch Downgrades 1 UK Local Government, TfL & 3 Oxford Colleges** RatingsEndorsement Policy  
24 Apr 2013 10:18 AM (EDT)

Fitch Ratings-Barcelona/London-24 April 2013: Fitch Ratings has downgraded one UK local government, Transport for London (TfL), and three Oxford Colleges and removed them from Rating Watch Negative. The Outlooks are Stable. The ratings of the issuances have also been downgraded.

**KEY RATING DRIVERS**

The rating actions reflect the downgrade of the United Kingdom's Long-term Issuer Default Rating (IDR) to 'AA+' from 'AAA' and placed on Stable Outlook on 19 April 2013 (see 'Fitch Downgrades United Kingdom to 'AA+'; Outlook Stable ' at [www.fitchratings.com](http://www.fitchratings.com)). The downgrade of the UK primarily reflects a weaker economic and fiscal outlook leading to an upward revision to Fitch's medium-term projections for UK deficits and government debt.

The rating actions also reflect the application of Fitch's criteria, according to which subnationals' ratings are not higher than their sovereign, except in exceptional circumstances (see "International Local and Regional Governments Rating Criteria outside United States", dated 17 August 2012 at [www.fitchratings.com](http://www.fitchratings.com)).

Fitch has maintained the one-notch difference between TfL's rating and the UK sovereign IDR as its ratings are credit linked.

**KEY SENSITIVITIES:**

Any further negative action on the UK's ratings would lead to a downgrade of these entities. Any weakening in the standalone finances of the entities or any weakening in the relationship with the sponsor would also lead to a rating downgrade.

The rating actions are as follows:

**London Borough of Wandsworth**

Long-term foreign and local currency ratings downgraded to 'AA+' from 'AAA', removed from RWN; Stable Outlook  
Short-term rating of 'F1+' unaffected

**Transport for London**

Long-term foreign and local currency ratings downgraded to 'AA' from 'AA+', removed from RWN; Stable Outlook  
Short-term rating of 'F1+' unaffected  
TfL's GBP5bn MTN programme's LT local currency issue rating has been downgraded to 'AA' from 'AA+' and its commercial paper (ECP) programme's ST foreign and local currency ratings have been affirmed at F1+.

**Lincoln College, Oxford**

Long-term foreign and local currency ratings downgraded to 'AA+' from 'AAA', removed from RWN; Stable Outlook  
Short-term rating of 'F1+' unaffected

**Somerville College, Oxford**

Long-term foreign and local currency ratings downgraded to 'AA+' from 'AAA', removed from RWN; Stable Outlook  
Short-term rating of 'F1+' unaffected

**St Peters College, Oxford**

Long-term foreign and local currency ratings downgraded to 'AA+' from 'AAA', removed from RWN; Stable Outlook  
Short-term rating of 'F1+' unaffected

**Contact:**

Primary Analyst (TfL, Oxford Colleges)

Ines Callahan  
Associate Director  
+34 93 467 8745  
Fitch Ratings Espana. S.A.U.  
Paseo de Gracia, 85,  
Barcelona 08008

Primary Analyst (Wandsworth)  
Guido Bach  
Senior Director  
+49 69 768076 20  
Fitch Deutschland GmbH  
Taunusanlage 17, 60325  
Frankfurt am Main

Secondary Analyst (TfL, Oxford Colleges)  
Fernando Mayorga  
Managing Director  
+34 93 323 8400

Secondary Analyst (Wandsworth)  
Ines Callahan  
Associate Director  
+34 93 467 8745

Committee Chairperson  
Raffaele Carnevale  
Senior Director  
+39 02 87 90 87 203

Media Relations: Peter Fitzpatrick, London, Tel: +44 20 3530 1103, Email: [peter.fitzpatrick@fitchratings.com](mailto:peter.fitzpatrick@fitchratings.com).

Additional information is available at [www.fitchratings.com](http://www.fitchratings.com).

Applicable criteria, "Tax-Supported Rating Criteria", dated 14 August 2012; "International Local and Regional Governments Rating Criteria outside United States", dated 17 August 2012; "Rating of Public Sector Entities - Outside the United States", dated 4 March 2013; 'Rating Guidelines for Colleges and Universities Outside the United States', dated 15 June 2012, and 'Revenue-Supported Rating Criteria', dated 12 June 2012 are available at [www.fitchratings.com](http://www.fitchratings.com).

#### **Applicable Criteria and Related Research**

Tax-Supported Rating Criteria  
International Local and Regional Governments Rating Criteria  
Rating of Public Sector Entities - Outside the United States  
International Colleges and Universities - Outside the United States  
Revenue-Supported Rating Criteria

#### **Additional Disclosure**

Solicitation Status

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