



Fitch Places 1 UK Local Government and 4 GREs on RWN

Link to Fitch Ratings' Report(s): London Borough of Wandsworth - Rating Action Report

Fitch Ratings-Barcelona/London-25 February 2019: Fitch Ratings has placed one UK local government, Transport for London (TfL), and three Oxford Colleges on Rating Watch Negative (RWN).

Under EU credit rating agency (CRA) regulation, the publication of sovereign (including by CRA definition a regional or local authority of a State) reviews is subject to restrictions and must take place according to a published schedule, except where it is necessary for CRAs to deviate from this in order to comply with their legal obligations.

Fitch interprets this provision as allowing us to publish a rating review in situations where there is a material change in the creditworthiness of the issuer that we believe it inappropriate for us to wait until the next scheduled review date to update the rating or Outlook/Watch status.

The next scheduled review date for Fitch's rating on the London Borough of Wandsworth was on 31 May 2019. However following the RWN of the UK on 20 February 2019 (see 'Fitch Places the UK's 'AA' IDRs on Rating Watch Negative') we have taken a similar rating action on the London Borough of Wandsworth as it was rated at the same level as the sovereign state.

KEY RATING DRIVERS

The RWN reflects the placement of the UK's 'AA' Long-term Foreign- and Local-Currency Issuer Default Rating (IDRs) on RWN on 20 February 2019 (see 'Fitch Places the UK's 'AA' IDRs on Rating Watch Negative' at www.fitchratings.com). The RWN on the UK indicates a heightened probability of a downgrade in the near term. Fitch's Sovereign department will look to resolve the RWN during the first half of this year, in light of the UK's scheduled exit from the EU.

The rating action on the London Borough of Wandsworth also reflects the application of Fitch's criteria, according to which subnationals' ratings should not be higher than their sovereign, except in unusual circumstances (see "International Local and Regional Governments Rating Criteria outside United States", dated 18 April 2016 at www.fitchratings.com).

The action on Transport for London also reflects the application of Fitch's "Government-Related Entities Rating Criteria" (GRE) methodology, under which when the assessment of support is strong or better, the primary driver of the GREs' IDR will be that of the supporting government.

The action on the Oxford Colleges also reflects the application of Fitch's "Revenue Supported Debt Rating Criteria". The RWN reflects that on the UK sovereign.

RATING SENSITIVITIES

The ratings of the London Borough of Wandsworth, TfL, and the Oxford Colleges will be downgraded if the UK sovereign ratings are downgraded.

The rating actions are as follows:

London Borough of Wandsworth
Long-Term Foreign and Local Currency Issuer Default Rating (IDRs): 'AA' placed on RWN
Short-Term IDR of 'F1+' unaffected

Transport for London

Long-Term Foreign and Local Currency IDRs: 'AA-' placed on RWN

Short-Term IDR of 'F1+' unaffected

Senior unsecured long-term rating: 'AA-' placed on RWN

Senior unsecured short-term rating: 'F1+' unaffected

Lincoln College, Oxford

Long-Term Foreign and Local Currency IDRs: 'AA' placed on RWN

Short-Term IDR: 'F1+' unaffected

Somerville College, Oxford

Long-Term Foreign and Local Currency IDRs: 'AA' placed on RWN

Short-Term IDR: 'F1+' unaffected

St Peters College, Oxford

Long-Term Foreign and Local Currency IDRs: 'AA' placed on RWN

Short-Term IDR: 'F1+' unaffected

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Additional information is available on www.fitchratings.com

Applicable Criteria

Government-Related Entities Rating Criteria (pub. 25 Oct 2018)

International Local and Regional Governments Rating Criteria - Outside the United States (pub. 18 Apr 2016)

Public-Sector Counterparty Obligations in PPP Transactions Rating Criteria (pub. 17 May 2018)

Rating Criteria for Public-Sector, Revenue-Supported Debt (pub. 26 Feb 2018)

Additional Disclosures

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UNSOLICITED ISSUERS

Entity/Security	ISIN/CUSIP/COUPON RATE	Rating Type	Solicitation Status
London Borough of Wandsworth	-	Long Term Issuer Default Rating	Unsolicited
London Borough of Wandsworth	-	Local Currency Long Term Issuer Default Rating	Unsolicited

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