



## Fitch Affirms 4 GREs; off Rating Watch Negative

Fitch Ratings - London - 23 December 2019:

Fitch Ratings has affirmed Transport for London (TfL) and three Oxford Colleges and removed them from Rating Watch Negative (RWN). A full list of rating actions is detailed below.

### Key Rating Drivers

The removal from RWN reflects the affirmation of the UK's 'AA' Long-term Foreign- and Local-Currency Issuer Default Rating (IDRs) on 17 December 2019 (see 'Fitch Affirms the UK at 'AA'; off Rating Watch Negative' at [www.fitchratings.com](http://www.fitchratings.com)).

The outcome of the UK general election on 12 December means it is highly likely that the UK will leave the EU with a withdrawal agreement on 31 January 2020. This removes the short-term risk of a disruptive 'No Deal' Brexit, where the UK would leave the EU without a withdrawal agreement in place and is reflected in the removal of the RWN and affirmation of the UK's 'AA' rating.

### Derivation Summary

The action on TfL reflects the application of Fitch's 'Government-Related Entities Rating Criteria' (GRE) methodology, under which when the assessment of support is strong, the primary driver of the GREs' IDR will be the rating of the supporting government. The Stable Outlook reflects our expectation that a single-notch downgrade of the UK sovereign would have no impact on TfL's 'AA-' IDR. This is because with TfL's 'a-' standalone credit profile (SCP) it would lead to rating equalisation with the UK sovereign under our GRE Criteria.

The action on the Oxford Colleges (Lincoln, Somerville and St Peters') reflects the application of Fitch's 'Public Sector, Revenue-Supported Entities Rating Criteria'. The Negative Outlook reflects that on the UK sovereign. As the colleges' standalone credit profiles are 'aaa' they are currently capped by the sovereign rating.

### RATING SENSITIVITIES

The ratings of TfL will be downgraded upon a UK sovereign downgrade by more than one notch; changes to our assessment of the strength of linkage or incentive to support factors under the GRE Criteria; or changes to the assessment of TfL's SCP.

The ratings of the Oxford Colleges will be downgraded if the UK sovereign ratings are downgraded.

## Public Ratings with Credit Linkage to other ratings

UK sovereign.

### ESG Considerations

The ESG credit relevance score is '3', meaning that ESG issues are credit-neutral. The issuers' mission and institutional framework mean that these issues are minimally relevant to the ratings.

#### RATING ACTIONS

ENTITY/DEBT	RATING	PRIOR
St Peter's College, Oxford	LT IDR AA  Affirmed	AA 
	ST IDR F1+ Affirmed	F1+
	LC LT IDR AA  Affirmed	AA 
Transport for London	LT IDR AA-  Affirmed	AA- 
	ST IDR F1+ Affirmed	F1+
	LC LT IDR AA-  Affirmed	AA- 
senior unsecured	LT AA- Affirmed	AA- 
senior unsecured	ST F1+ Affirmed	F1+
Lincoln College, Oxford	LT IDR AA  Affirmed	AA 
	ST IDR F1+ Affirmed	F1+
	LC LT IDR AA  Affirmed	AA 
Somerville College, Oxford	LT IDR AA  Affirmed	AA 
	ST IDR F1+ Affirmed	F1+
	LC LT IDR AA 	AA 

| Affirmed | |

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

## **FITCH RATINGS ANALYSTS**

Primary Rating Analyst  
Michael Brooks, ACA  
Associate Director  
+44 20 3530 1409  
Fitch Ratings Ltd  
30 North Colonnade, Canary Wharf  
London E14 5GN

Primary Rating Analyst  
Ines Callahan  
Director  
+34 93 467 8745  
Fitch Ratings Espana. S.A.U.  
Av. Diagonal 601  
Barcelona 08028

Secondary Rating Analyst  
Ines Callahan  
Director  
+34 93 467 8745

Secondary Rating Analyst  
Michael Brooks, ACA  
Associate Director  
+44 20 3530 1409

Committee Chairperson  
Guido Bach  
Senior Director  
+49 69 768076 111

## **MEDIA CONTACTS**

Athos Larkou  
London  
+44 20 3530 1549  
[athos.larkou@thefitchgroup.com](mailto:athos.larkou@thefitchgroup.com)

## **Applicable Criteria**

Government-Related Entities Rating Criteria (pub. 13 Nov 2019)  
Public Sector, Revenue-Supported Entities Rating Criteria (pub. 07 Nov 2019)

## **Additional Disclosures**

Dodd-Frank Rating Information Disclosure Form

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