

**AUDIT AND GOVERNANCE COMMITTEE**

**18 JULY 2025**

**TREASURY MANAGEMENT – FIRST QUARTERLY REVIEW 2025/2026**

**Report of the Director of Finance**

**1. Purpose of Report**

1.1 To report on the Treasury Management performance to date for the first quarter of 2025/2026.

**2. Description of Decision (Recommendations)**

2.1 The Committee is requested to:

- Note the Treasury Management performance during Quarter 1 of 2025/2026 (Appendix A).
- Note the Lending List Criteria at Appendix B and the Approved Lending List at Appendix C.

**3. Introduction**

3.1 This report sets out the Treasury Management performance to date for the first quarter of the financial year 2025/2026, in accordance with the requirements of the Treasury Management Policy and Strategy agreed by Council.

**4. Summary of Treasury Management Performance for 2025/2026 – Quarter 1**

4.1 The Council's Treasury Management function continues to look at ways to maximise financial savings and increase investment returns to the revenue budget, whilst maintaining a balanced risk position. Public Works Loan Board (PWLB) rates have gradually risen since the start of the financial year but continue to be extremely volatile. No new borrowing has been taken out to date during 2025/2026, but the position continues to be monitored closely should it be needed to support the financing requirements of the Council's Capital Programme.

4.2 No refinancing of debt has been carried out in 2025/2026 during the period as interest rates have not been considered sufficiently favourable. The Council's average interest rate on borrowing is low, currently 2.67%, and, as such, the Council already benefits from this lower cost of borrowing and from the ongoing savings from past debt rescheduling exercises. Based on information from the Council's treasury advisor, performance continues to see the Council's rate of borrowing compare favourably to other authorities.

4.3 Treasury Management Prudential Indicators are regularly reviewed, and the Council is within the limits set for all Treasury Management Prudential Indicators. The statutory limit under section 3 (1) of the Local Government Act 2003, which is required to be reported separately, (also known as the Authorised Borrowing Limit for External Debt)

was set at £1,140.152m for 2025/2026. The Council's maximum external debt during the financial year to 31 May 2025 was £613.716m and is within this limit. More details of the Treasury Management Prudential Indicators are set out in Section 2 of Appendix A for information.

- 4.4 The Council's investment policy is regularly monitored and reviewed to ensure it has flexibility to take full advantage of any changes in market conditions which will benefit the Council.
- 4.5 As at 31 May 2025, the funds managed by the Council's Treasury Management team have achieved a rate of return on its investments of 4.31% compared with the benchmark SONIA (Sterling Overnight Index Average) rate of 4.36%. Performance in the financial year to date is slightly lower than the benchmark rate, whilst still adhering to the prudent policy agreed by the Council. This is, in part, due to falls in the rates available on fixed-term deposits as markets factored in the expected cut to the Bank of England (BoE) Base Rate and the need to maintain balances on call in support of the Council's capital programme.
- 4.6 More detailed Treasury Management information is included in Appendix A.
- 4.7 The regular updating of the Council's authorised lending list is required to take into account financial institution mergers and changes in institutions' credit ratings since the last report. The updated Approved Lending List is shown in Appendix C for information.

## **5. Recommendation**

- 5.1 Members are requested to note the Treasury Management performance for the first quarter of 2025/2026.
- 5.2 Members are requested to note the Lending List Criteria at Appendix B and the Approved Lending List at Appendix C.

## Detailed Treasury Management Performance – Quarter 1 2025/2026

### 1 Borrowing Strategy and Performance – 2025/2026

- 1.1 The Borrowing Strategy for 2025/2026 was reported to Cabinet on 6 February 2025 and approved by full Council on 19 February 2025.
- 1.2 The Borrowing Strategy is based upon interest rate forecasts from a wide cross section of City institutions. The view at the time of drafting the Treasury Management Policy and Strategy was that the Bank of England (BoE) Base Rate would start 2024/2025 at 4.50% and continue downwards, reaching 4.00% by September 2025 and fall to 3.75% by March 2026. PWLB borrowing rates were also believed to have reached their peak and were expected to steadily fall over the three-year forecast timescale. However, these projections were subject to significant volatility as a consequence of emerging economic data and future BoE Monetary Policy Committee (MPC) announcements.
- 1.3 On 19 June 2025 the Bank of England (BoE) announced its Monetary Policy Committee (MPC) had voted 6-3 to maintain the Base Rate at 4.25% with notes from the meeting stating that whilst inflationary pressures have continued to ease, recent experience has shown how unpredictable the global economy can be and the need for a gradual and careful approach to further rate cuts. This reflects their commitment to combat inflationary pressures to ensure headline CPI inflation returns to its 2% target.
- 1.4 Annual Consumer Prices Index (CPI) inflation has fluctuated during the quarter, with the inflation increasing from 2.6% in March to 3.5% in the twelve months April, then falling to 3.4% in May 2025. The Office for Budget Responsibility (OBR) expects annual CPI inflation of 3.2% in 2025, with a monthly peak of 3.8% in July 2025 attributable to increases in the Ofgem price cap, rises in food prices and the increase in regulated water bills. From 2026 onwards, CPI inflation is expected to fall rapidly towards the 2.0% target.
- 1.5 On growth, the Office for National Statistics (ONS) report that gross domestic product (GDP) is estimated to have fallen by 0.3% month-on-month in April 2025 but to have grown by 0.7% in the three months to April 2025, compared to the three months to January 2025. The MPC raised its growth forecast for 2025 to 1% from 0.7%, reflecting a stronger than expected Q1 which it suggested could in part be due to front-running of US tariffs. However, it trimmed growth prospects for 2026 from 1.5% to 1.2%.
- 1.6 Investment returns have reduced steadily, reflecting corresponding falls in the BoE Base Rate. However long-term borrowing rates are currently high, and above our 2025/2026 benchmark borrowing rate of 5.50%. Therefore, investment balances will be temporarily used where necessary pending borrowing rates reducing.
- 1.7 MUFG Corporate Markets, the Council's treasury advisors, reviewed their interest rate forecasts in February 2025. Despite various factors including general concerns linked to the Chancellors spending policies, uncertainty over the impact of various tariff policies announced by President Trump and the BoE setting out gloomy prospects for the economy and GDP growth, there hasn't been any material change in their

forecasts. The MPC did cut the Base Rate to 4.5% as forecast and PWLB rates are only marginally higher than previously forecast. Due to an expected increases to near-term CPI inflation, they believe further rate cuts won't be announced until the end of 2025 and into 2026.

- 1.8 The following table shows the average PWLB rates for Quarters 1 compared to the SONIA Overnight Rate used to benchmark investment returns:

<b>2025/2026</b>	<b>Qtr 1* (Apr-May 2025) %</b>
SONIA Overnight Rate	4.36
PWLB 1 year	4.63*
PWLB 5 years	4.81*
PWLB 10 years	5.37*
PWLB 25 years	6.05*
PWLB 50 years	5.72*
PWLB Current 50 years:	5.67* at 24.06.25

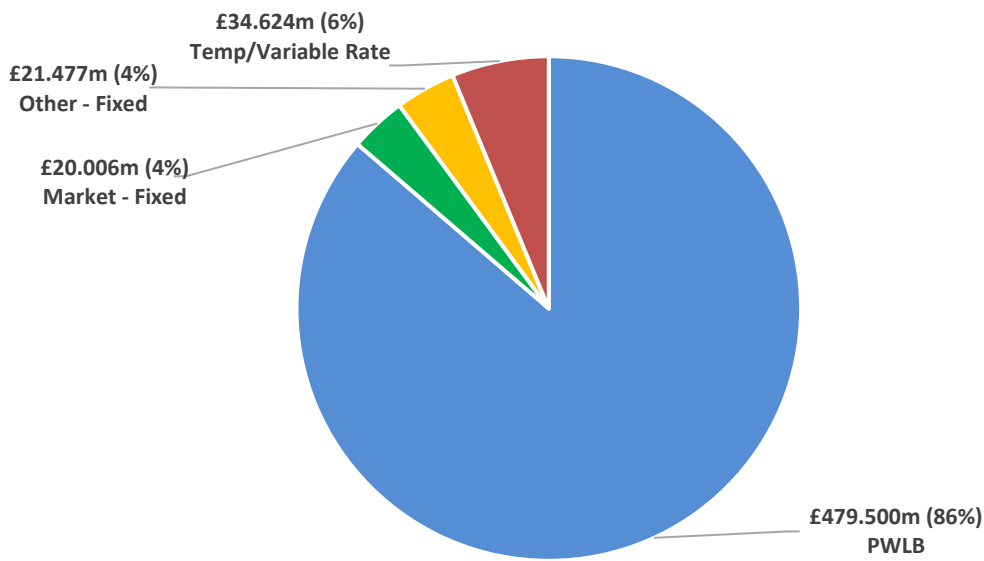
\*rates take account of the 0.2% discount to PWLB rates available to eligible authorities.

- 1.9 High levels of volatility in the financial markets continue in 2025/2026. The main sensitivities of the forecasts in the UK reflect ongoing concerns over the future path of inflation, increased level of Government borrowing over the term of the current Parliament and the potential impact on inflation globally resulting from President Trump's tariff announcements.
- 1.10 The UK and the EU have reached a new agreement setting out post-Brexit relations on areas including fishing rights, trade and defence. The ongoing conflict between Russia and the Ukraine, Israel and Gaza/Iran and heightened tensions between China, Taiwan and the United States alongside other geopolitical factors are likely to continue to have a global economic impact.
- 1.11 At present, PWLB rates are expected to fall gradually from their current levels through to March 2027. MUFG Corporate Markets predict PWLB rates standing at 4.60%, 4.90%, 5.40% and 5.10% for 5, 10, 25 and 50-year durations respectively by 31st March 2026 before falling to within the range 4.30%-5.70% for all durations by March 2027. With so many external influences weighing on the UK economy, interest rate forecasting remains very difficult. From time to time, gilt yields, and consequently PWLB rates, can be subject to exceptional levels of volatility which could occur at any time during the forecast period.
- 1.12 The strategy for 2025/2026 is to adopt a pragmatic and flexible approach in identifying the low points in the interest rate cycle at which to borrow, and to respond to any changing circumstances to seek to secure benefit for the Council. A benchmark financing rate of 5.50% for long-term borrowing was set for 2025/2026 in light of the views prevalent at the time the Treasury Management policy was set in February 2025.
- 1.13 The Council's treasury portfolio position at 31 May 2025 is set out below:

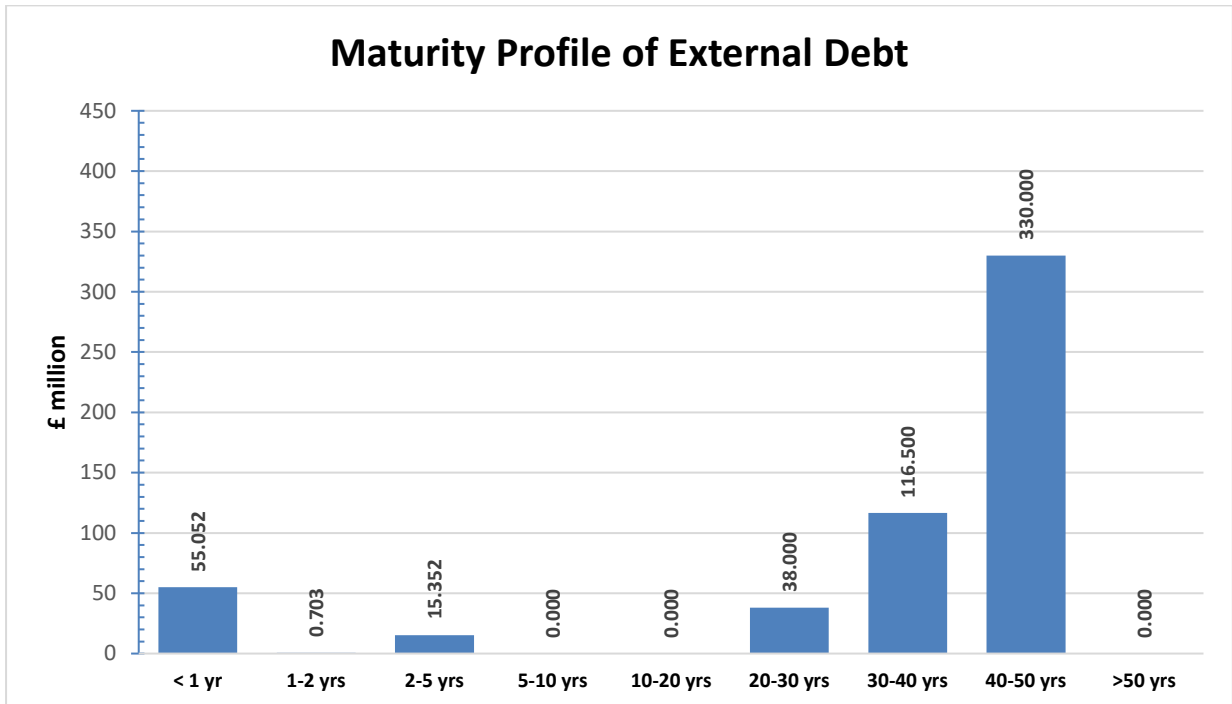
**Borrowing Summary at:**

**31 May 2025**

	<u>Principal</u>	<u>Interest</u>	<u>Ave rate</u>
<b>Fixed</b>			%
PWLB	479,500,000	12,470,750	2.60
Market – Fixed	20,006,059	876,978	4.38
Other – Fixed	21,476,750	3,018	0.01
	<b>520,982,809</b>	<b>13,350,746</b>	<b>2.56</b>
<b>Variable</b>			
Temporary/Other – Variable	34,623,878	1,509,878	4.36
	<b>34,623,878</b>	<b>1,509,878</b>	<b>4.36</b>
<b>TOTAL:</b>	<b>555,606,687</b>	<b>14,860,624</b>	<b>2.67</b>



**Maturity Profile of External Debt**



## 2 Prudential Indicators – 2025/2026

2.1 All external borrowing and investments undertaken in 2025/2026 have been subject to the monitoring requirements of the Prudential Code. Under the Code, Authorities must set borrowing limits (Authorised Borrowing Limit for External Debt and Operational Boundary for External Debt) and must also report on the Council's performance for the other Treasury Management Prudential Indicators.

2.2 The statutory limit under section 3(1) of the Local Government Act 2003 (which is also known as the Authorised Borrowing Limit for External Debt) was set by the Council for 2025/2026 as follows:

	<b>£m</b>
Borrowing	1,003.080
Other Long-Term Liabilities	137.152
<b>Total</b>	<b><u>1,140.152</u></b>

The Operational Boundary for External Debt was set as shown below: -

	<b>£m</b>
Borrowing	977.000
Other Long-Term Liabilities	137.152
<b>Total</b>	<b><u>1,114.152</u></b>

The Council's maximum external debt in respect of 2025/2026 (to 31 May 2025) was £613.716m and is within the limits set by both these key indicators.

2.3 The table below shows that all other Treasury Management Prudential Indicators have been complied with:

Prudential Indicators		2025/2026 (Max to 31/05/25)	
		Limit	Actual
<b>P9</b>	<b>Maturity Pattern</b>	Upper Limit	
	Under 12 months	50%	9.91%
	12 months and within 24 months	60%	0.13%
	24 months and within 5 years	80%	2.79%
	5 years plus (A lower limit of 0% for all periods)	100%	87.99%
<b>P10</b>	<b>Upper limit for total principal sums invested for over 365 days</b>	75m	0

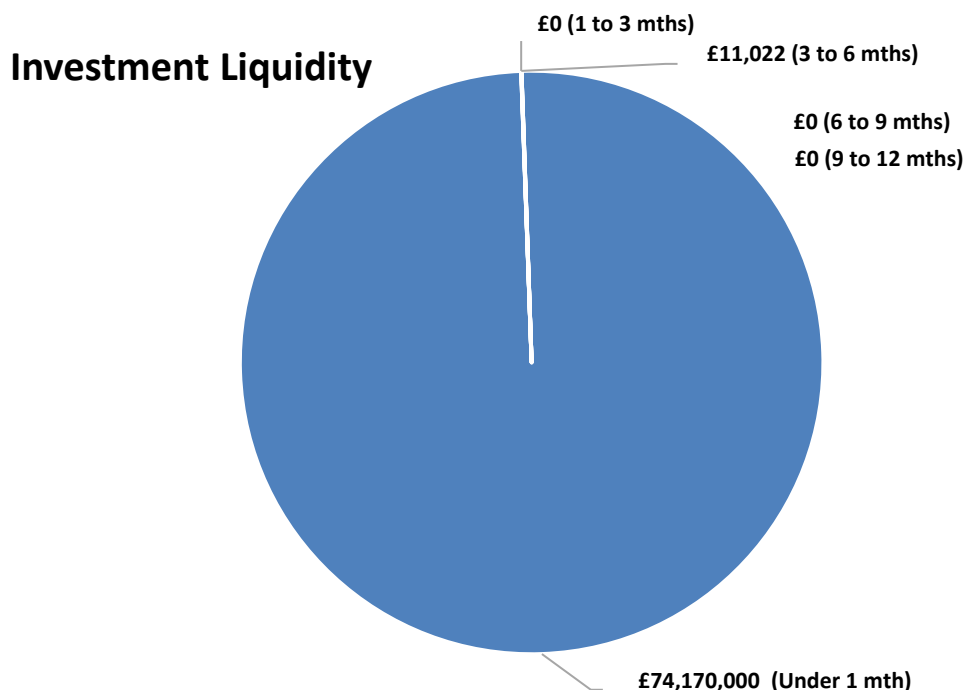
## 3 Investment Strategy – 2025/2026

3.1 The Investment Strategy for 2025/2026 was approved by Council on 19 February 2025. The general policy objective for the Council is the prudent investment of its treasury balances. The Council's investment priorities in order of importance are:

- (A) The **security** of capital;
- (B) The **liquidity** of its investments and then;
- (C) The Council aims to achieve the **optimum yield** on its investments, but this is commensurate with the proper levels of security and liquidity.

3.2 As at 31 May 2025, the funds managed by the Council's in-house team amounted to £74.181m and all investments complied with the Annual Investment Strategy.

<b>Investment Summary at: 31 May 2025</b>					
<b>Borrower</b>	<b>Duration</b>	<b>Amount of Loan</b>	<b>Rate (%)</b>	<b>Start Date</b>	<b>Maturity Date</b>
<b>Call Accounts:</b>					
NatWest SIBA	Overnight	1,500,000	2.750		Call
Prime MMF	Overnight	25,820,000	4.330		Call
Aberdeen Liquidity Fund	Overnight	20,770,000	4.318		Call
Insight Liquidity MMF	Overnight	6,080,000	4.326		Call
Lloyds Banking Group Ltd	95d Notice	11,022	4.260		95 Day Notice
<b>Sub-total:</b>		<b>54,181,022</b>			
<b>Fixed Term Deposits:</b>					
Yorkshire Building Society	34 days	17,500,000	4.120	06-May-25	09-Jan-25
Yorkshire Building Society	27 days	2,500,000	4.120	13-May-25	09-Jun-25
<b>Sub-total:</b>		<b>20,000,000</b>			
<b>TOTAL:</b>		<b>74,181,022</b>			



3.3 The table below shows the return received on these investments compared with the benchmark SONIA (Sterling Overnight Index Average) rate, which the Council uses to assess its performance.

	<b>2025/2026 Actual to 31/05/25 %</b>	<b>2025/2026 Benchmark to 31/05/25 %</b>
Return on investments	4.31	4.36

Performance in the financial year to date is slightly lower than the benchmark rate, whilst still adhering to the prudent policy agreed by the Council. This is, in part, due to falls in the rates available on fixed-term deposits as markets factored in the expected

cut to the Bank of England (BoE) Base Rate and also the need to maintain balances on call in support of the Council's capital programme.

- 3.4 Investments placed in 2025/2026 have been made in accordance with the approved investment strategy and comply with the Counterparty Criteria in place, shown in Appendix B, which is used to identify organisations on the Approved Lending List.
- 3.5 Investment rates available in the market have continued to fall following the Bank of England's Monetary Policy Committee (MPC) announcements to cut the Base Rate to 5.00% in August 2024, the first fall in the rate since March 2020, to its current level of 4.25% announced on 8 May 2025.

<b>Effective Date</b>	<b>BoE Base Rate %</b>	
19 Mar 2020	0.10	Historic Low
3 Aug 2023	5.25	Current peak
1 Aug 2024	5.00	
7 Nov 2024	4.75	
6 Feb 2025	4.50	
8 May 2025	4.25	
19 Jun 2025	4.25	

- 3.6 Whilst investment returns have improved in comparison to previous years, the Council continues to follow a risk averse strategy when placing funds, prioritising security of capital whilst seeking to achieve the optimum return commensurate with risk. The Council continues to follow advice from our Treasury Management advisors by placing funds in shorter dated liquid investments than previously.
- 3.7 Advice also confirms that the above guidance is not applicable to institutions considered to be very low risk, mainly where the Government holds shares in these organisations and therefore have the UK Government rating applied to them, or separately in respect of Money Market Funds which are AAA rated.
- 3.8 The regular updating of the Council's authorised Lending List is required to take into account financial institution mergers and changes in institutions' credit ratings. Any changes are reflected on the Approved Lending List shown in Appendix C.
- 3.9 On 31 May 2025, 17 years after buying an 84% stake in the NatWest Group amid the 2008 financial crisis, the Treasury announced the sale of its final shares returning the bank to full private ownership. Deposit and duration limits will now be based on credit ratings for the counterparty rather than the UK Government's credit rating of AA-.

**Counterparty Criteria**

The Council takes into account not only the individual institution's credit ratings issued by all three credit rating agencies (Fitch, Moody's and Standard & Poor's), but also all available market data and intelligence, the level of government support and advice from its Treasury Management advisers.

Set out below are the criteria to be used in determining the level of funds that can be invested with each institution. Where an institution is rated differently by the rating agencies, the lowest rating will determine the level of investment.

<b>Fitch Long-Term Rating</b>	<b>Fitch Short-Term Rating</b>	<b>Moody's Long-Term Rating</b>	<b>Moody's Short-Term Rating</b>	<b>S&amp;P's Long-Term Rating</b>	<b>S&amp;P's Short-Term Rating</b>	<b><u>Maximum Deposit</u> £m</b>	<b><u>Maximum Duration</u></b>
AAA	F1+	Aaa	P-1	AAA	A-1+	120	2 Years
AA+	F1+	Aa1	P-1	AA+	A-1+	100	2 Years
AA	F1+	Aa2	P-1	AA	A-1+	80	2 Years
AA-	F1+	Aa3	P-1	AA-	A-1+	75	2 Years
A+	F1+	A1	P-1	A+	A-1	70	365 days
A+	F1	A1	P-1	A+	A-1	70	365 days
A	F1	A2	P-1	A	A-1	65	365 days
A-	F1	A3	P-1	A-	A-1	50	365 days
A-	F2	A3	P-2	A-	A-2	50	365 days
<b>Local Authorities</b> (limit for each local authority)						30	2 years
<b>UK Government</b> (including debt management office, gilts and treasury bills)						300	2 years
<b>Money Market Funds (CNAV, LVNAV and VNAV)*</b> Maximum amount to be invested in Money Market Funds is £250m with a maximum of £50m in any one fund.						250	Liquid Deposits
<b>Local Authority controlled companies</b>						40	20 years
<b>Strategic Partners</b>						Maximum deposit and duration of investments with strategic partners will be based on detailed business case and will be approved by Members prior to any investment taking place	

\* CNAV=Constant Net Asset Value, LVNAV=Low Volatility Net Asset Value and VNAV=Variable Net Asset Value

Where the UK Government holds a shareholding in an institution the UK Government's credit rating of AA- will be applied to that institution to determine the amount the Council can place with that institution for a maximum period of 2 years.

The Code of Practice for Treasury Management in the Public Services recommends that consideration should also be given to country, sector, and group limits in addition to the individual limits set out above. These limits are as follows:

**Country Limit**

It is proposed that only non-UK countries with a minimum sovereign credit rating of AA+ by all three rating agencies will be considered for inclusion on the Approved Lending List.

It is also proposed to set a total limit of £50m which can be invested in other countries provided they meet the above criteria. A separate limit of £300m will be applied to the United Kingdom and is based on the fact that the Government has previously undertaken and is willing to take action to protect the UK banking system.

<b>Country</b>	<b>Limit £m</b>
UK	300
Non-UK	50

**Sector Limit**

The Code recommends a limit be set for each sector in which the Council can place investments. These limits are set out below:

<b>Sector</b>	<b>Limit £m</b>
Central Government	300
Local Government	300
UK Banks	300
Money Market Funds	250
UK Building Societies	100
Foreign Banks	50

**Group Limit**

Where institutions are part of a group of companies e.g. Lloyds Banking Group, Santander and RBS, the total limit of investments that can be placed with that group of companies will be determined by the highest credit rating of a counterparty within that group, unless the Government rating has been applied. This will apply provided that:

- the UK continues to have a sovereign credit rating of AA-; and
- that market intelligence and professional advice is taken into account.

Proposed group limits are set out in Appendix C.

Approved Lending List

Appendix C

	Fitch		Moody's		Standard & Poor's		Limit £m	Max Deposit Period
	L Term	S Term	L Term	S Term	L Term	S Term		
<b>UK</b>	AA-		Aa3		AA		300	
<b>Lloyds Banking Group</b>							Group Limit 70	
Lloyds Bank Plc (RFB)	AA-	F1+	A1	P-1	A+	A-1	70	365 days
Lloyds Bank Corporate Markets plc (NRFB)	AA-	F1+	A1	P-1	A	A-1	70	365 days
Bank of Scotland Plc (RFB)	AA-	F1+	A1	P-1	A+	A-1	70	365 days
<b>NatWest Group</b>							Group Limit 70	
The Royal Bank of Scotland Plc (RFB)	A+	F1	A1	P-1	A+	A-1	70	365 days
National Westminster Bank Plc (RFB)	A+	F1	A1	P-1	A+	A-1	70	365 days
NatWest Markets plc (NRFB)	A+	F1	A1	P-1	A	A-1	70	365 days
Santander UK plc	A+	F1	A1	P-1	A	A-1	65	365 days
Barclays Bank plc (NRFB)	A+	F1	A1	P-1	A+	A-1	70	365 days
Barclays Bank plc (RFB)	A+	F1	A1	P-1	A+	A-1	70	365 days
Clydesdale Bank	A-	F1	A1	P-1	A	A-1	50	365 days
Co-Operative Bank Plc *	WD	WD	A3	P-2	-	-	50	365 days
Goldman Sachs International Bank	A+	F1	A1	P-1	A+	A-1	70	365 days
HSBC Bank plc (NRFB)	AA-	F1+	A1	P-1	A+	A-1	70	365 days
HSBC UK Bank plc (RFB)	AA-	F1+	A1	P-1	A+	A-1	70	365 days
Nationwide BS	A	F1	A1	P-1	A+	A-1	65	365 days
Standard Chartered Bank	A+	F1	A1	P-1	A+	A-1	70	365 days
SMBC Bank International Ltd	A-	F1	A1	P-1	A	A-1	50	365 days
Top Building Societies (by asset value)								
Nationwide BS (see above)								
Coventry BS	A-	F1	A3	P-2	-	-	50	365 days
Leeds BS	A-	F1	A3	P-2	-	-	50	365 days
Principality BS *	BBB+	F2	Baa1	P-2	-	-	0	

	Fitch		Moody's		Standard & Poor's		Limit £m	Max Deposit Period
	L Term	S Term	L Term	S Term	L Term	S Term		
Skipton BS	A-	F1	A2	P-1	-	-	50	365 days
Yorkshire BS	A-	F1	A2	P-1	-	-	50	365 days
<b>Money Market Funds</b>							250	Liquid
Prime Rate Stirling Liquidity	AAA		AAA		AAA		50	Liquid
Insight Liquidity Fund	AAA		-		AAA		50	Liquid
Aberdeen Liquidity Fund (Lux)	AAA				AAA		50	Liquid
Deutsche Managed Sterling Fund			Aaa		AAA		50	Liquid
Foreign Banks have a combined total limit of £50m								
<b>Australia</b>	AAA		Aaa		AAA		50	
Australia and New Zealand Banking Group Ltd	AA-	F1+	Aa2	P-1	AA-	A-1+	50	2 years
Commonwealth Bank of Australia	AA-	F1+	Aa2	P-1	AA-	A-1+	50	2 years
National Australia Bank	AA-	F1+	Aa2	P-1	AA-	A-1+	50	2 years
Westpac Banking Corporation	AA-	F1+	Aa2	P-1	AA-	A-1+	50	2 years
<b>Canada</b>	AA+		Aaa		AAA		50	
Bank of Nova Scotia	AA-	F1+	Aa2	P-1	A+	A-1	50	365 days
Royal Bank of Canada	AA-	F1+	Aa1	P-1	AA-	A-1+	50	2 years
Toronto Dominion Bank	AA-	F1+	Aa2	P-1	A+	A-1	50	365 days
<b>Denmark</b>	AAA		Aaa		AAA		50	
Danske A/S	A+	F1	A1	P-1	A+	A-1	50	365 days
<b>Finland</b>	AA+		Aa1		AA+		50	
OP Corporate Bank plc	WD	WD	Aa3	P-1	AA-	A-1+	50	2 years
<b>Germany</b>	AAA		Aaa		AAA		50	
DZ Bank AG (Deutsche Zentral-Genossenschaftsbank)	AA-	F1+	Aa2	P-1	A+	A-1	50	365 days
Landwirtschaftliche Rentenbank	AAA	F1+	Aaa	P-1	AAA	A-1+	50	2 years
NRW Bank	AAA	F1+	Aa1	P-1	AA	A-1+	50	2 years
<b>Netherlands</b>	AAA		Aaa		AAA		50	
Bank Nederlandse Gemeenten	AAA	F1+	Aaa	P-1	AAA	A-1+	50	2 years
Cooperatieve Rabobank U.A.	A+	F1	Aa2	P-1	A+	A-1	50	365 days

	Fitch		Moody's		Standard & Poor's		Limit £m	Max Deposit Period
	L Term	S Term	L Term	S Term	L Term	S Term		
Nederlandse Waterschapsbank NV	-	-	Aaa	P-1	AAA	A-1+	50	2 years
<b>Singapore</b>	AAA		Aaa		AAA		50	
DBS Bank Ltd	AA-	F1+	Aa1	P-1	AA-	A-1+	50	2 years
Oversea Chinese Banking Corporation Ltd	AA-	F1+	Aa1	P-1	AA-	A-1+	50	2 years
United Overseas Bank Ltd	AA-	F1+	Aa1	P-1	AA-	A-1+	50	2 years
<b>Sweden</b>	AAA		Aaa		AAA		50	
Svenska Handelsbanken AB	AA	F1+	Aa2	P-1	AA-	A-1+	50	2 years
<b>Switzerland</b>	AAA		Aaa		AAA		50	
UBS AG	A+	F1	Aa2	P-1	A+	A-1	50	365 days
<b>USA</b>	AA+		Aaa		AA+		50	
Bank of New York Mellon	AA	F1+	Aa1	P-1	AA-	A-1+	50	2 years
JP Morgan Chase Bank NA	AA	F1+	Aa2	P-1	AA-	A-1+	50	2 years
Wells Fargo Bank NA	AA-	F1+	Aa2	P-1	A+	A-1	50	365 days

## Notes

- \* These will be revisited and used only if they meet the minimum criteria (ratings of A- and above)

Any bank which is incorporated in the United Kingdom and controlled by the Prudential Regulation Authority (PRA) is classed as a UK bank for the purposes of the Approved Lending List.

